



CITY OF JASPER, GEORGIA

Annual Financial Report

For the year ended December 31, 2019

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CITY OF JASPER, GEORGIA
ANNUAL FINANCIAL REPORT
For the year ended December 31, 2019

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Independent Auditor's Report

Honorable Mayor and Members
of the City Council
City of Jasper, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Jasper, Georgia, as of and for the year ended December 31, 2019, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Jasper, Georgia, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison of the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 13 and the required supplementary information on pages 64 through 69 to be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Jasper, Georgia's basic financial statements. The combining and individual fund financial statements and schedules, schedule of indebtedness, schedule of General Fund unassigned fund balance by month, and the schedule of projects financed with special purpose local option sales tax are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules, schedule of indebtedness, schedule of General Fund unassigned fund balance by month, and the schedule of projects financed with special purpose local option sales tax are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules, schedule of indebtedness, schedule of General Fund unassigned fund balance by month, and the schedule of projects financed with special purpose local option sales tax are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 4, 2020, on our consideration of the City of Jasper, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Jasper, Georgia's internal control over financial reporting and compliance.

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
May 4, 2020



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Mayor
Steve Lawrence

City Manager
Brandon D. Douglas

Mayor Pro Tem
Jim Looney

Council
John B. Foust, Jr
Anne Sneve
Dr. Sonny Proctor
Kirk Raffield

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Jasper, it is our pleasure to present this narrative discussion and analysis of the City of Jasper's financial performance, providing an overview of the activities for the year ended December 31, 2019. The purpose of this narrative is to provide readers of financial statements with information that will help them make timely and meaningful financial decisions or draw conclusions about the City of Jasper. This analytical information is designed to be read in conjunction with the City's financial statements, which follow this section.

Financial Highlights

- The City of Jasper's assets exceeded its liabilities at December 31, 2019, by \$24,644,011 (reported as *net position*).
- As of December 31, 2019, Jasper's governmental funds reported combined ending fund balances of \$2,285,889. Approximately 70% of this total amount, \$1,600,810, is available for spending at the City Council's discretion (unassigned fund balance of the General Fund).

More detailed information regarding these activities and funds begins on page 6.

Overview of the Financial Statements

This discussion and analysis narrative is intended to serve as an introduction to the City of Jasper's basic financial statements. The City of Jasper's basic financial statements are composed of three elements: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains required supplementary information in addition to our basic financial statements.

Government-wide Financial Statements (Reporting the City as a whole)

The focus of the government-wide financial statements is on the overall financial position and activities of the City of Jasper and is designed to provide readers with a broad overview of the City's financial activities in a manner similar to a private business enterprise.

The purpose of the **Statement of Net Position** (pages 14 - 15) is to attempt to report all assets held and liabilities owed by the City. The City reports all assets when it acquires ownership over the assets and reports all of its liabilities when they are incurred. The difference between the total assets and total liabilities is labeled *net position*. Although the purpose of the City is not to accumulate net position, in general, as this amount increases it indicates that the financial position of the City is improving over time.

The **Statement of Activities** (page 16), on the other hand, presents the revenues and expenses of the City. Under the accrual basis of accounting mentioned earlier, revenues are recognized when earned and expenses when incurred in this statement. Thus, revenues are reported even when they may not be collected for several weeks after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period. The difference is described as *change in net position*. The primary focus of the Statement of Activities is on the *net cost* of various activities provided by the City and identifies the extent to which each function of the City draws from general revenues or is self-financing through fees, grants, or other sources.

In the Statement of Net Position and the Statement of Activities, we divide the City of Jasper into three types of activities:

- **Governmental activities** – Most of the City’s basic services are reported under this category, including police, fire, public works, and general administration. Sales tax, property taxes, and intergovernmental revenues finance most of these services.
- **Business-type activities** – The City charges fees to customers to assist in covering all or most of the cost for certain services it provides. The City’s water and sewer system and garbage collection fees are reported in this category.
- **Discretely Presented Component Units** – Component units are legally separate organizations for which the elected officials of the City are financially accountable. The Industrial Development Authority, Downtown Development Authority, and the Jasper Development Authority, although legally separate, functions for all practical purposes as departments of the City of Jasper, and therefore have been included as an integral part of the primary government.

The City’s government-wide financial statements are presented on pages 14-16.

Fund Financial Statements (Reporting the City’s Major Funds)

The focus of fund financial statements is directed to specific activities of the City and its most significant funds, not the City as a whole. A fund is an entity with a self-balancing set of accounts that the City uses to track specific resources and expenditures, either for management purposes or because of legal mandates. In addition to the major funds, individual fund data for the City’s non-major funds can be found beginning on page 70. The City’s funds are divided into three broad categories – governmental, proprietary, and fiduciary – and use different accounting approaches.

- **Governmental Funds** – These funds account for essentially the same functions reported as governmental activities in the government-wide financial statements; however, governmental fund financial statements focus on the short-term view of the City’s general government operations and the basic services it provides. Governmental funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

Because the focus of the governmental fund financial statements is narrower than that of the government-wide financial statements and because of the different accounting methods used to prepare them, there are often significant differences between the totals presented in these financial statements. It is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s near-term financing decisions. An analysis of the balance sheet and the statement of revenues, expenditures, and changes in fund balances that reconciles the two statements are provided after each statement.

In addition to the General Fund, the City of Jasper maintains two governmental fund types:

1. Special Revenue Funds
2. Capital Projects Funds

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and 2014 SPLOST Capital Projects Fund, which are considered major funds. Information from the other three funds: the Technology Surcharge Special Revenue Fund; the Confiscated Assets Special Revenue Fund, and the Hotel/Motel Tax Special Revenue Fund are combined into a single, aggregated

presentation. Individual fund data for these nonmajor governmental funds is provided in the form of combining statements in this report.

The City of Jasper adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The City's basic governmental fund financial statements are presented on pages 17-21 of this report.

- **Proprietary Funds** – When the City charges customers for the services it provides – whether to outside customers or to other departments of the City – these services are generally reported in proprietary funds. These proprietary funds are prepared using the same accounting basis as the government-wide financial statements.

There are two types of proprietary funds, enterprise funds and internal service funds. The City of Jasper utilizes only enterprise funds. Enterprise fund statements report the same functions presented in the business-type activities columns of the government-wide financial statements. The City of Jasper utilizes enterprise funds to account for its Water and Sewer system, which is reported as a major enterprise fund, and Sanitation function, which is reported as a nonmajor enterprise fund.

The City's proprietary fund financial statements are presented on pages 22-24.

- **Fiduciary Funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City of Jasper's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City acts as a trustee or fiduciary for the Municipal Court Custodial Fund. The City of Jasper Implemented Governmental Accounting Standards Board Statement Number 84, *Fiduciary Activities*, during fiscal year ending December 31, 2019. The implementation required a prior period adjustment which is discussed in Note 17 in the notes to the financial statements.

The City's fiduciary fund financial statements are presented on pages 25-26.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29-63 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the City's defined benefit pension plan. The required supplementary information can be found on pages 64-69 of this report.

Other Supplementary Information

Other supplementary information includes a schedule of indebtedness and a schedule of general fund unassigned fund balance by month for additional analysis. The schedule of indebtedness provides additional information on the City's future annual debt service obligations. The schedule of general fund unassigned fund balance by month provides additional information on the City's General Fund liquidity throughout the year.

Overview of the City's Financial Position and Operations

The City's overall financial position and operations for this year is summarized as follows based on the information included in the government-wide financial statements (see pages 14 - 16):

City of Jasper Statement of Net Position December 31, 2019 and 2018						
	Governmental		Business-Type		Total	
	Activities		Activities			
	2019	2018	2019	2018	2019	2018
ASSETS						
Current and other						
assets	\$ 3,669,307	\$ 4,345,009	\$ 2,246,511	\$ 2,119,904	\$ 5,915,818	\$ 6,464,913
Capital assets	7,357,606	7,453,687	19,922,279	20,114,914	27,279,885	27,568,601
Total Assets	<u>11,026,913</u>	<u>11,798,696</u>	<u>22,168,790</u>	<u>22,234,818</u>	<u>33,195,703</u>	<u>34,033,514</u>
DEFERRED OUTFLOWS OF RESOURCES						
Total Deferred Outflows						
of Resources	<u>320,264</u>	<u>347,489</u>	<u>253,469</u>	<u>276,110</u>	<u>573,733</u>	<u>623,599</u>
LIABILITIES AND NET POSITION						
Liabilities						
Current and other						
liabilities	489,925	460,560	1,285,083	1,358,283	1,775,008	1,818,843
Noncurrent liabilities	<u>1,322,085</u>	<u>1,260,110</u>	<u>4,713,194</u>	<u>4,891,370</u>	<u>6,035,279</u>	<u>6,151,480</u>
Total Liabilities	<u>1,812,010</u>	<u>1,720,670</u>	<u>5,998,277</u>	<u>6,249,653</u>	<u>7,810,287</u>	<u>7,970,323</u>
DEFERRED INFLOWS OF RESOURCES						
Total Deferred Inflows						
of Resources	<u>1,238,967</u>	<u>1,294,206</u>	<u>76,171</u>	<u>167,720</u>	<u>1,315,138</u>	<u>1,461,926</u>
Net Position						
Net investment in						
capital assets	6,278,269	6,363,024	15,071,398	14,822,618	21,349,667	21,185,642
Restricted	478,815	1,062,174	-	14,158	478,815	1,076,332
Unrestricted	<u>1,539,116</u>	<u>1,706,111</u>	<u>1,276,413</u>	<u>1,256,779</u>	<u>2,815,529</u>	<u>2,962,890</u>
Total Net Position	<u>\$ 8,296,200</u>	<u>\$ 9,131,309</u>	<u>\$ 16,347,811</u>	<u>\$ 16,093,555</u>	<u>\$ 24,644,011</u>	<u>\$ 25,224,864</u>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Assets for the City of Jasper exceeded liabilities by \$24,644,011 at the close of the current year. However, much of the net position either is restricted as to the purposes for which it can be used or are invested in capital assets.

The largest portion (87%) of the City of Jasper's net position reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure), less any related debt outstanding that was needed to construct or acquire the assets. The City uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Although the net position of our business-type activities represents 66% (\$16,347,811) of total net position, these resources cannot be used to add to the net position surplus in governmental activities. The City generally can only use the net position to finance the continuing operations of the business-type activities.

The following condensed financial information was derived from the government-wide Statement of Activities and reflects how the City of Jasper's net position changed during the year.

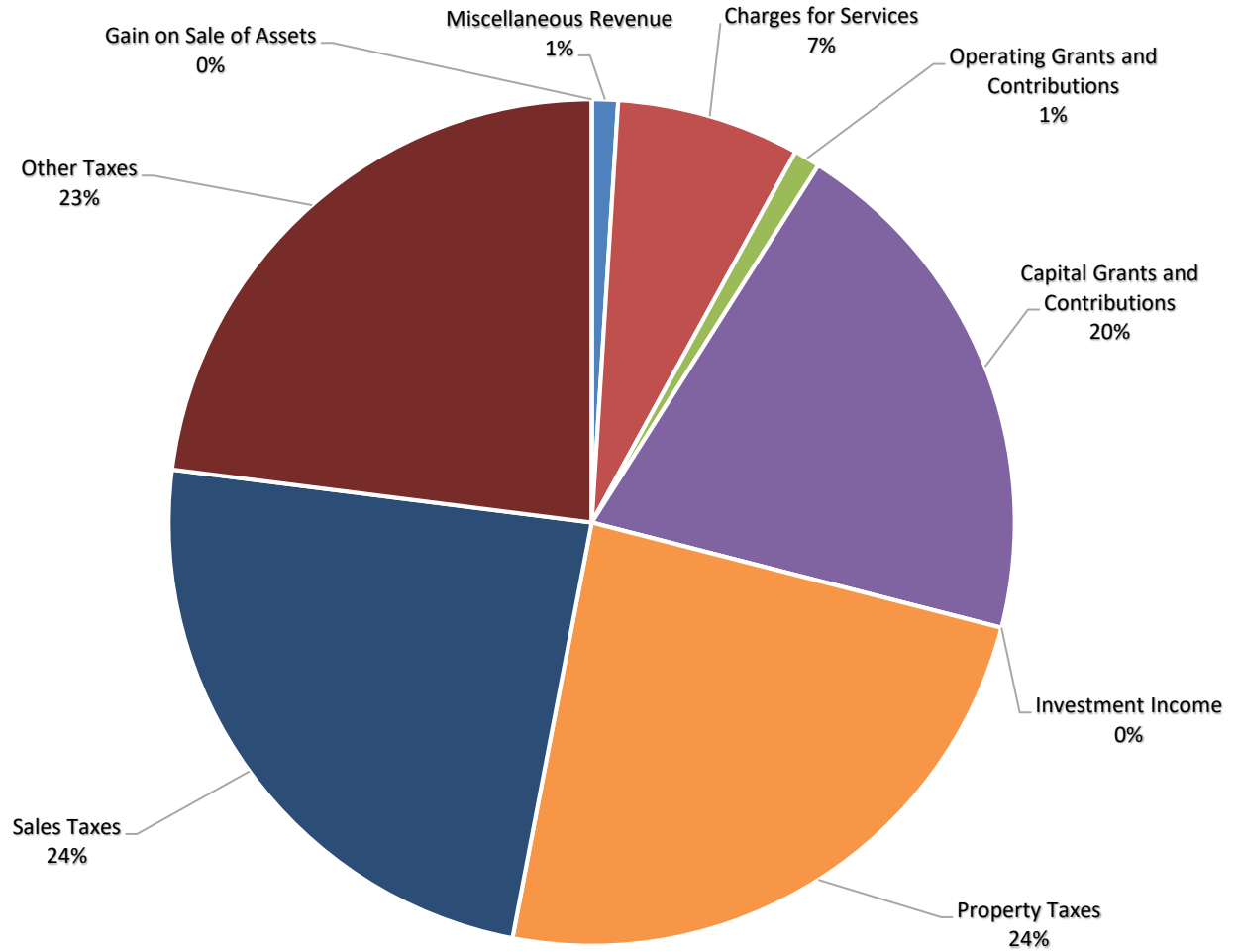
City of Jasper
Changes in Net Position
For the years ending December 31, 2019 and 2018

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
PROGRAM REVENUES						
Charges for services	\$ 388,940	\$ 354,517	\$ 4,686,466	\$ 4,647,736	\$ 5,075,406	\$ 5,002,253
Operating grants and contributions	35,911	30,832	-	-	35,911	30,832
Capital grants and contributions	1,152,048	1,074,860	35,500	30,158	1,187,548	1,105,018
General revenues:						
Property taxes	1,341,473	1,347,707	-	-	1,341,473	1,347,707
Sales tax	1,388,707	1,274,522	-	-	1,388,707	1,274,522
Other taxes	1,331,386	1,305,497	-	-	1,331,386	1,305,497
Investment income	8,178	8,101	1,387	1,547	9,565	9,648
Gain on sale of assets	-	1,072	-	-	-	1,072
Miscellaneous revenue	58,981	13,305	42,993	36,062	101,974	49,367
Total revenues	<u>5,705,624</u>	<u>5,410,413</u>	<u>4,766,346</u>	<u>4,715,503</u>	<u>10,471,970</u>	<u>10,125,916</u>
EXPENSES						
General Government	651,721	596,321	-	-	651,721	596,321
Judicial	112,380	108,540	-	-	112,380	108,540
Public Safety	2,702,026	2,448,712	-	-	2,702,026	2,448,712
Public Works	2,832,425	1,611,855	-	-	2,832,425	1,611,855
Culture and Recreation	59,812	65,861	-	-	59,812	65,861
Housing and Development	127,272	115,081	-	-	127,272	115,081
Interest on long-term debt	55,097	25,079	-	-	55,097	25,079
Water and sewer	-	-	4,280,893	4,387,632	4,280,893	4,387,632
Sanitation	-	-	231,197	236,583	231,197	236,583
Total expenses	<u>6,540,733</u>	<u>4,971,449</u>	<u>4,512,090</u>	<u>4,624,215</u>	<u>11,052,823</u>	<u>9,595,664</u>
Increase (decrease) in net position before transfers	(835,109)	438,964	254,256	91,288	(580,853)	530,252
Transfers	-	-	-	-	-	-
Increase (decrease) in net position	(835,109)	438,964	254,256	91,288	(580,853)	530,252
Net position - beginning	<u>9,131,309</u>	<u>8,692,345</u>	<u>16,093,555</u>	<u>16,002,267</u>	<u>25,224,864</u>	<u>24,694,612</u>
Net position - ending	<u>\$ 8,296,200</u>	<u>\$ 9,131,309</u>	<u>\$ 16,347,811</u>	<u>\$ 16,093,555</u>	<u>\$ 24,644,011</u>	<u>\$ 25,224,864</u>

Governmental Activities –

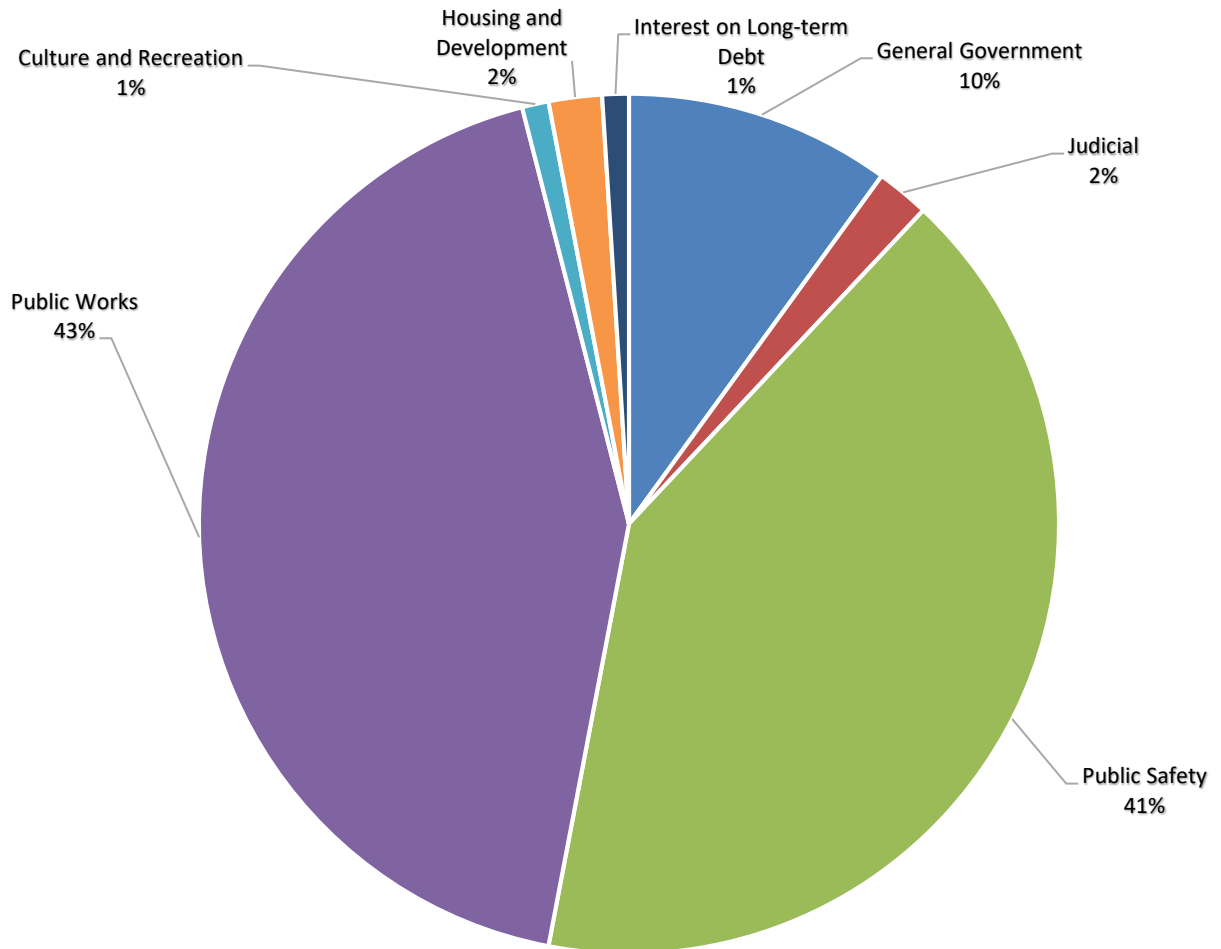
The following chart depicts revenues of the governmental activities for the year ended December 31, 2019:

Revenue by Source – Governmental Activities



The following chart depicts the expenses of the governmental activities for the year ended December 31, 2019:

Expenses by Function – Governmental Activities



Business-type Activities –

Business-type activities increased the City of Jasper's net position by \$254,256; this is \$162,968 more than the increase in net position for 2018. The key elements of this difference in increase are:

- The primary reason for the increase of 2019 net position was an increase of sanitation rates. Sanitation charges for service are \$62,002 greater than 2018 due to the rate increase during the first quarter of 2019. Additionally, expenses for water and sewerage operations were \$85,212 lower than 2018. This decrease is a result of personnel related costs, supply costs for water and wastewater treatment, interest expenses due to the amortization of debt, and transfers to the Sanitation fund being lower than prior year.

Financial Analysis of the City's Funds

As noted earlier, the City of Jasper uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the City of Jasper's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

As the City completed this year, its governmental funds reported a combined ending fund balance of \$2,285,889. Of this amount, \$1,600,810 (70%) constitutes unassigned fund balance, meaning no constraints have been placed on how this money may be spent. The General Fund is the only governmental fund that can have positive unassigned fund balance. The remainder of fund balance is either non-spendable, restricted by a third party or assigned for a specific purpose.

The **General Fund** is the chief operating fund of the City. At the end of the current year, unassigned fund balance of the General Fund was \$1,600,810, while total fund balance was \$1,676,711. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 34% of total General Fund expenditures, while total fund balance represents 36% of that same amount.

General Fund Budget Highlights

The City's budget utilized a conservative approach based on available information. Emphasis was placed on long-term stability by meeting financial priorities through disciplined spending. The City employs a budget process whereby appropriations are revisited and compared to actual in order to determine if significant, unexpected variances are present. At this point, any necessary budget amendments are approved by City Council. The original budget for the General Fund was amended by various appropriations approved after the beginning of the year. In addition, Council approved several adjustments to prevent budget overruns. In adopting the 2019 budget, the council approved to appropriate \$100,000 of fund balance for various reasons.

Adjustments to the General Fund Expenditures: Adjustments were made from one department to another department to prevent budget overruns.

- In the Legislative Department an increase in the budget was needed. Group Health Insurance selected was approximately \$13,000, professional fees for attorney services approximately \$47,000, liability insurance approximately \$5,000 and technology supplies approximately \$5,000 more than budgeted.
- In the Executive Department, salaries were less than budgeted due to turnover from prior year and the timing of filling that open position; therefore, the budgeted was decreased \$30,000.
- In the Financial Administration Department, the final budget was decreased. There were capital outlay purchases for site improvements and computers that did not occur. The budget was decreased \$40,000.
- In the Police Department, personnel related costs were not as high as anticipated.
- In the Animal Control Department salaries were adjusted.

- In the Protective Inspection Department, a position was not filled which resulted in the budget being decreased \$22,000.
- In the Planning and Zoning Department there was an increase in salaries of approximately \$13,000 due to additional personnel. Additionally, professional fees of \$9,000 for plan review were not previously budgeted.

Proprietary Funds

The City of Jasper’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net position of the City’s two proprietary funds totaled as follows:

▪ Water and Sewer	\$ 16,331,772
▪ Sanitation	\$ 16,039

The total increase in net position for both funds was \$254,256. Other factors concerning the finances of these two funds have already been addressed in the discussion of the City’s business-type activities.

Capital Assets and Debt Administration

Capital Assets. The City of Jasper has invested \$27,279,885 in capital assets (net of accumulated depreciation). Capital assets include infrastructure, land, buildings, and machinery and equipment. Approximately 73% of this investment is related to business-type activities and approximately 27% relates to governmental activities.

During 2019, the City invested \$721,035 in new capital assets. Major capital asset events during the current year included the following:

Governmental-type Activities	
2019	
Building & Land - 125 N. Main Street	\$ 102,623
Public Works Mower	11,886
Police Department Vehicles (2)	79,157
Fire Department Vehicle	42,101
	<u>\$ 235,767</u>
Business-type Activities	
2019	
Water Tank Improvements	\$ 114,951
Water Sewer Vehicle	55,119
Sanitation Vehicle	101,773
Wastewater and Sewer Pump Capital Maintenance	77,213
Infrastructure - Cove Road Well	11,479
Construction in Progress - Grandview Road	106,394
	<u>\$ 466,929</u>

Capital assets held by the City at the end of the current year are summarized as follows:

City of Jasper
Capital Assets (Net of Accumulated Depreciation)
As of December 31, 2019 and 2018

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 3,350,966	\$ 3,284,051	\$ 1,162,347	\$ 1,162,347	\$ 4,513,313	\$ 4,446,398
Construction in progress	-	42,673	190,385	151,858	190,385	194,531
Buildings and improvements	1,119,376	1,044,094	2,487,714	2,487,714	3,607,090	3,531,808
Infrastructure	2,634,085	2,634,085	26,434,307	26,149,846	29,068,392	28,783,931
Machinery and equipment	3,345,424	3,276,874	2,168,622	2,942,035	5,514,046	6,218,909
Park improvements	697,020	697,020	1,003,386	-	1,700,406	697,020
Furniture and fixtures	-	-	8,799	8,799	8,799	8,799
Total	11,146,871	10,978,797	33,455,560	32,902,599	44,602,431	43,881,396
Accumulated depreciation	(3,789,265)	(3,525,110)	(13,533,281)	(12,787,685)	(17,322,546)	(16,312,795)
Net Capital Assets	<u>\$ 7,357,606</u>	<u>\$ 7,453,687</u>	<u>\$ 19,922,279</u>	<u>\$ 20,114,914</u>	<u>\$ 27,279,885</u>	<u>\$ 27,568,601</u>

Additional information on the City of Jasper's capital assets can be found in the Note 7 in the notes to the financial statements on pages 46-47 of this report.

Long-term debt. At December 31, 2019, the City of Jasper had \$6,231,957 in long-term debt which was a decrease of \$365,385 from 2018. The decrease is attributed to the excess of repayment of debt over debt issued in 2019.

City of Jasper
Outstanding Debt
As of December 31, 2019 and 2018

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Capital leases	\$ 767,483	\$ 739,433	\$ 405,266	\$ 301,753	\$1,172,749	\$1,041,186
Notes from direct borrowings	-	-	4,484,882	4,889,490	4,484,882	4,889,490
Notes from direct borrowings - component unit	311,854	351,230	-	-	311,854	351,230
Other contracts payable	-	-	-	68,638	-	68,638
Compensated absences	167,170	157,657	95,302	89,141	262,472	246,798
Total	<u>\$1,246,507</u>	<u>\$1,248,320</u>	<u>\$4,985,450</u>	<u>\$5,349,022</u>	<u>\$6,231,957</u>	<u>\$6,597,342</u>

Additional information on the City's long-term debt can be found in the Note 8 in the notes to the financial statements on pages 48-53 of this report.

Economic Environment and Next Year's Budgets

The City continues to anticipate new challenges ahead with the improving economy. The City considered many factors when adopting the 2020 budget. The City's tax rates, fees and charges for services for governmental and business-type activities also dominated budget considerations. The City is experiencing slow growth in population and local businesses relative to the local economic conditions. The City has low to moderate cost of living and has comparable, sometimes lower, unemployment to relative state levels, and is expecting a slow but steady growth in population in the future. Enterprise fund revenues are increasing and the City expects this to continue in the future. The City continues to contract with a local sanitation facility for leachate disposal for additional revenues which is reflected in the 2020 budget. The following are some of the major factors considered in preparing the City's budget for 2020:

- Sustainability of existing services – the City has operated with the philosophy of budgetary evaluation which reviews the needs of the City to the standard which realizes that services and associated costs should not be appropriated if they are not justified as long-term goals of the City. This philosophy is solidified in the budget process with a multi-year forecast mindset that assists in evaluating current priorities, realigning and diversifying revenue structures, and providing the data for decision making for continued financial success. Also, the management of the City strives to provide services at or above current level without further burdening those paying for those services; if, at all possible.
- Cost of government – The City's operating millage rate has not been above 4.690 mils since 2006. The levy in 2019 was 4.655 mils and funds the 2020 budget.
- Infrastructure improvements – The City continues to provide substantial capital funding to improve the water and sewer infrastructure. This long- range plan includes seeking additional water sources, replacing deteriorating infrastructure as well as continuing to expand treatment facilities to serve the growing customer base. SPLOST revenue will continue to allow major public works improvements to roads and bridges as well as improvements related to public safety and parks of the City. These infrastructure improvements, as well as amounts budgeted to improve the water and sewer infrastructure will position the City well for future growth.
- Economy impact – The City's revenue and expenditures were implemented with a conservative approach, although the City is seeing more economic growth in the area.
- The City restricts the use of one-time revenues to capital projects.

For fiscal year 2020, the City Council approved a total budget of \$10,937,353. This budget includes operating and non-operating funds. The General Fund budget is \$4,680,032 and the Proprietary Funds are budgeted for \$4,878,880 (Water, Sewerage and Sanitation). The City's budgets and relative fund balances are maintained in compliance with the City's adopted financial policies.

Subsequent Event

In January 2020, a "Public Health Emergency of International Concern" was declared by the World Health Organization pertaining to the outbreak of a novel coronavirus (COVID-19). The City is continuing to provide services to the customers and residents of the City of Jasper while addressing the impact of the outbreak. The City continuously is evaluating the budget and operations. Additional information concerning this matter can be found in Note 17 in the notes to the financial statements.

Contacting the City's Financial Management

This financial report is designed to provide a general overview of the City's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. If you have any questions about this report or would like to request additional information, contact Brandon Douglas, City Manager / Acting City Clerk, City of Jasper, Georgia, 200 Burnt Mountain Road, Jasper, GA 30143.

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BASIC FINANCIAL STATEMENTS

CITY OF JASPER, GEORGIA
STATEMENT OF NET POSITION
December 31, 2019

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 2,240,767	\$ 858,713	\$ 3,099,480	\$ 28,793
Restricted cash and cash equivalents	0	692,612	692,612	0
Accounts receivable (net)	0	512,438	512,438	0
Taxes receivable (net)	1,262,077	0	1,262,077	0
Other receivables	0	81,934	81,934	0
Intergovernmental receivable	106,739	0	106,739	0
Interest receivable	0	0	0	3
Notes receivable from primary government	0	0	0	41,269
Internal balances	33,823	(33,823)	0	0
Prepaid items	25,901	18,998	44,899	0
Inventories	0	115,639	115,639	0
Total current assets	<u>3,669,307</u>	<u>2,246,511</u>	<u>5,915,818</u>	<u>70,065</u>
Noncurrent assets				
Capital assets				
Non-depreciable	3,350,966	1,352,732	4,703,698	0
Depreciable (net)	4,006,640	18,569,547	22,576,187	0
Notes receivable from primary government	0	0	0	270,585
Total noncurrent assets	<u>7,357,606</u>	<u>19,922,279</u>	<u>27,279,885</u>	<u>270,585</u>
Total assets	<u>11,026,913</u>	<u>22,168,790</u>	<u>33,195,703</u>	<u>340,650</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - pension	320,264	253,469	573,733	0
LIABILITIES				
Current liabilities				
Accounts payable	72,712	49,855	122,567	0
Accrued salaries	45,714	27,673	73,387	0
Other payroll liabilities	6,812	0	6,812	0
Compensated absences payable	125,377	61,103	186,480	0
Accrued interest payable	7,431	12,353	19,784	3
Unearned revenue	89,185	8,000	97,185	0
Notes payable	41,269	352,051	393,320	41,269
Capital lease payable	101,425	120,703	222,128	0
Liabilities payable from restricted assets				
Customer deposits payable	0	653,345	653,345	0
Total current liabilities	<u>489,925</u>	<u>1,285,083</u>	<u>1,775,008</u>	<u>41,272</u>
Noncurrent liabilities				
Compensated absences payable	41,793	34,199	75,992	0
Net pension liability	343,649	261,601	605,250	0
Capital lease payable	666,058	284,563	950,621	0
Notes payable	270,585	4,132,831	4,403,416	270,585
Total noncurrent liabilities	<u>1,322,085</u>	<u>4,713,194</u>	<u>6,035,279</u>	<u>270,585</u>
Total liabilities	<u>1,812,010</u>	<u>5,998,277</u>	<u>7,810,287</u>	<u>311,857</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes levied for subsequent year	1,146,929	0	1,146,929	0
Deferred inflows of resources - pension	92,038	76,171	168,209	0
Total deferred inflows of resources	<u>1,238,967</u>	<u>76,171</u>	<u>1,315,138</u>	<u>0</u>

See accompanying notes to the financial statements.

CITY OF JASPER, GEORGIA
STATEMENT OF NET POSITION
December 31, 2019

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
NET POSITION				
Net investment in capital assets	\$ 6,278,269	\$ 15,071,398	\$ 21,349,667	\$ 0
Restricted for:				
Judicial and law enforcement				
technology equipment and supplies	146,250	0	146,250	0
Law enforcement equipment and supplies	5,431	0	5,431	0
Capital outlay	327,134	0	327,134	0
Economic development	0	0	0	10,194
Unrestricted	1,539,116	1,276,413	2,815,529	18,599
Total net position	\$ 8,296,200	\$ 16,347,811	\$ 24,644,011	\$ 28,793

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CITY OF JASPER, GEORGIA
STATEMENT OF ACTIVITIES
For the year ended December 31, 2019

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expenses) Revenues and Changes in Net Position			Total Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary government								
Governmental activities								
General government	\$ 651,721	\$ 70,848	\$ 625	\$ 0	\$ (580,248)	\$ 0	\$ (580,248)	
Judicial	112,380	43,567	0	0	(68,813)	0	(68,813)	
Public safety	2,702,026	228,310	34,786	0	(2,438,930)	0	(2,438,930)	
Public works	2,832,425	0	500	1,152,048	(1,679,877)	0	(1,679,877)	
Culture and recreation	59,812	0	0	0	(59,812)	0	(59,812)	
Housing and development	127,272	46,215	0	0	(81,057)	0	(81,057)	
Interest on long-term debt	55,097	0	0	0	(55,097)	0	(55,097)	
Total governmental activities	<u>6,540,733</u>	<u>388,940</u>	<u>35,911</u>	<u>1,152,048</u>	<u>(4,963,834)</u>	<u>0</u>	<u>(4,963,834)</u>	
Business-type activities								
Water and Sewerage	4,280,893	4,528,306	0	35,500	0	282,913	282,913	
Sanitation	231,197	158,160	0	0	0	(73,037)	(73,037)	
Total business-type activities	<u>4,512,090</u>	<u>4,686,466</u>	<u>0</u>	<u>35,500</u>	<u>0</u>	<u>209,876</u>	<u>209,876</u>	
Total primary government	<u>11,052,823</u>	<u>5,075,406</u>	<u>35,911</u>	<u>1,187,548</u>	<u>(4,963,834)</u>	<u>209,876</u>	<u>(4,753,958)</u>	
Component Units								
Industrial Development Authority	0	0	0	0				\$ 0
Downtown Development Authority	0	0	0	0				0
Jasper Development Authority	0	0	0	0				0
Total component units	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>				<u>\$ 0</u>
General revenues								
Taxes								
Property					\$ 1,341,473	\$ 0	\$ 1,341,473	\$ 0
Sales					1,388,707	0	1,388,707	0
Franchise					436,258	0	436,258	0
Alcoholic beverage					394,417	0	394,417	0
Insurance premium					279,871	0	279,871	0
Business occupation					150,163	0	150,163	0
Hotel/Motel					70,677	0	70,677	0
Interest and investment earnings					8,178	1,387	9,565	69
Miscellaneous					58,981	42,993	101,974	0
Total general revenues and transfers					<u>4,128,725</u>	<u>44,380</u>	<u>4,173,105</u>	<u>69</u>
Change in net position					(835,109)	254,256	(580,853)	69
Net position - beginning					<u>9,131,309</u>	<u>16,093,555</u>	<u>25,224,864</u>	<u>28,724</u>
Net position - ending					<u>\$ 8,296,200</u>	<u>\$ 16,347,811</u>	<u>\$ 24,644,011</u>	<u>\$ 28,793</u>

See accompanying notes to the financial statements.

CITY OF JASPER, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2019

	General	2014 SPLOST	Nonmajor Governmental Funds	Totals
ASSETS				
Cash and cash equivalents	\$ 1,742,432	\$ 220,395	\$ 277,940	\$ 2,240,767
Taxes receivable	1,257,642	0	4,435	1,262,077
Intergovernmental receivable	0	106,739	0	106,739
Due from other funds	47,632	0	29,954	77,586
Prepaid items	25,901	0	0	25,901
Total assets	\$ 3,073,607	\$ 327,134	\$ 312,329	\$ 3,713,070
LIABILITIES				
Accounts payable	\$ 56,236	\$ 0	\$ 16,476	\$ 72,712
Due to other funds	29,954	0	13,809	43,763
Accrued salaries	45,714	0	0	45,714
Other payroll liabilities	6,812	0	0	6,812
Unearned revenue	89,185	0	0	89,185
Total liabilities	227,901	0	30,285	258,186
DEFERRED INFLOWS OF RESOURCES				
Property taxes levied for subsequent year	1,146,929	0	0	1,146,929
Unavailable revenue - property taxes	22,066	0	0	22,066
Total deferred inflows of resources	1,168,995	0	0	1,168,995
FUND BALANCES				
Nonspendable:				
Prepaid items	25,901	0	0	25,901
Restricted for:				
Judicial and law enforcement				
technology equipment and supplies	0	0	146,250	146,250
Law enforcement equipment and supplies	0	0	5,431	5,431
Capital outlay	0	327,134	0	327,134
Assigned for:				
Parks and recreation	50,000	0	0	50,000
Tourism	0	0	130,363	130,363
Unassigned	1,600,810	0	0	1,600,810
Total fund balances	1,676,711	327,134	282,044	2,285,889
Total liabilities, deferred inflows of resources, and fund balances	\$ 3,073,607	\$ 327,134	\$ 312,329	\$ 3,713,070

CITY OF JASPER, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF
THE GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
December 31, 2019

Total fund balance - total governmental funds \$ 2,285,889

Amounts reported for governmental activities in the statement of net position are different because:

Some assets are not financial resources and, therefore, are not reported in the funds. These are:

Capital assets	\$ 11,146,871	
Accumulated depreciation	<u>(3,789,265)</u>	7,357,606

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds. These are:

Deferred outflows of resources - pension	\$ 320,264	
Deferred inflows of resources - pension	<u>(92,038)</u>	228,226

Deferred inflows of resources related to property taxes that are not available to pay current obligations. These are reported as revenues in the statement of activities when earned. 22,066

Long-term liabilities are not due and payable in the current period and are not reported in the funds. These are:

Accrued interest payable	\$ (7,431)	
Compensated absences payable	(167,170)	
Net pension liability	(343,649)	
Capital lease payable	(767,483)	
Note payable	<u>(311,854)</u>	<u>(1,597,587)</u>

Net position of the governmental activities \$ 8,296,200

CITY OF JASPER, GEORGIA
STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the year ended December 31, 2019

	<u>General</u>	<u>2014 SPLOST</u>	<u>Nonmajor Governmental Funds</u>	<u>Totals</u>
REVENUES				
Taxes	\$ 3,981,187	\$ 0	\$ 70,677	\$ 4,051,864
Licenses and permits	116,449	0	0	116,449
Fines and forfeitures	213,015	0	43,567	256,582
Charges for services	15,908	0	0	15,908
Intergovernmental	33,786	1,146,641	0	1,180,427
Interest	8,045	5,407	132	13,584
Contributions	2,125	0	0	2,125
Other	58,981	0	0	58,981
Total revenues	<u>4,429,496</u>	<u>1,152,048</u>	<u>114,376</u>	<u>5,695,920</u>
EXPENDITURES				
Current				
General government	636,710	0	0	636,710
Judicial	92,924	0	17,651	110,575
Public safety	2,645,495	0	3,811	2,649,306
Public works	884,662	0	0	884,662
Culture and recreation	137,185	0	0	137,185
Housing and development	75,390	0	56,868	132,258
Capital outlay	0	1,787,562	0	1,787,562
Debt service	179,469	0	0	179,469
Total expenditures	<u>4,651,835</u>	<u>1,787,562</u>	<u>78,330</u>	<u>6,517,727</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(222,339)</u>	<u>(635,514)</u>	<u>36,046</u>	<u>(821,807)</u>
Other financing sources (uses)				
Transfers in	13,809	0	29,954	43,763
Transfers out	(29,954)	0	(13,809)	(43,763)
Proceeds from issuance of debt	119,977	0	0	119,977
Total other financing sources (uses)	<u>103,832</u>	<u>0</u>	<u>16,145</u>	<u>119,977</u>
Net change in fund balances	(118,507)	(635,514)	52,191	(701,830)
Fund balances, January 1	1,795,218	962,648	229,853	2,987,719
Fund balances, December 31	<u>\$ 1,676,711</u>	<u>\$ 327,134</u>	<u>\$ 282,044</u>	<u>\$ 2,285,889</u>

CITY OF JASPER, GEORGIA
RECONCILIATION OF THE STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF THE GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the year ended December 31, 2019

Net change in fund balances - total governmental funds \$ (701,830)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlays	\$ 235,167	
Depreciation	<u>(312,944)</u>	(77,777)

In the statement of activities, the gain/loss on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from the sale of capital assets increases financial resources.

Cost of assets disposed	\$ (67,093)	
Related accumulated depreciation	<u>48,789</u>	(18,304)

Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.

Pension contributions	\$ 81,553	
Cost of benefits earned net of employee contributions	<u>(123,343)</u>	(41,790)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. These includes recognition of unavailable revenue. 9,703

The proceeds of debt issuance provide current financial resources to governmental funds, but issuing debt increased long-term liabilities in the statement of net position. Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In addition, interest on long-term debt is not recognized in the governmental funds until due, but is recognized in the statement of activities as it accrues.

Debt principal repayments	\$ 131,303	
Debt proceeds	(119,977)	
Net change in interest payable	<u>(6,924)</u>	4,402

Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds. These include the following:

Net change in compensated absences		<u>(9,513)</u>
Change in net position of governmental activities		<u>\$ (835,109)</u>

CITY OF JASPER, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the year ended December 31, 2019

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 4,198,400	\$ 4,198,400	\$ 3,981,187	\$ (217,213)
Licenses and permits	118,500	118,500	116,449	(2,051)
Fines and forfeitures	208,000	208,000	213,015	5,015
Charges for services	36,590	36,590	15,908	(20,682)
Intergovernmental	38,220	38,220	33,786	(4,434)
Interest	8,600	8,600	8,045	(555)
Contributions	5,000	5,000	2,125	(2,875)
Other	5,761	5,761	58,981	53,220
Total revenues	4,619,071	4,619,071	4,429,496	(189,575)
EXPENDITURES				
Current				
General government				
Legislative	94,626	164,626	164,019	607
Executive	196,122	166,122	155,609	10,513
Elections	6,790	6,790	0	6,790
Financial administration	372,054	332,054	317,082	14,972
Judicial				
Municipal court	98,397	98,397	92,924	5,473
Public safety				
Police	1,410,181	1,406,181	1,384,972	21,209
Fire	1,220,937	1,220,937	1,218,834	2,103
Animal control	37,735	41,735	41,689	46
Public works				
Streets	850,136	850,136	785,970	64,166
Fleet maintenance and shop	123,788	123,788	98,692	25,096
Cemetery	500	500	0	500
Culture and recreation				
Parks and recreation	348,844	348,844	137,185	211,659
Housing and development				
Protective inspection	43,159	21,159	4,504	16,655
Planning and zoning	49,802	71,802	70,886	916
Debt service	195,587	195,587	179,469	16,118
Total expenditures	5,048,658	5,048,658	4,651,835	396,823
Excess (deficiency) of revenues over (under) expenditures	(429,587)	(429,587)	(222,339)	207,248
Other financing sources (uses)				
Transfers in	31,687	31,687	13,809	(17,878)
Transfers out	0	0	(29,954)	(29,954)
Proceeds from issuance of debt	297,900	297,900	119,977	(177,923)
Total other financing sources (uses)	329,587	329,587	103,832	(225,755)
Net change in fund balances	(100,000)	(100,000)	(118,507)	(18,507)
Fund balances, January 1	100,000	100,000	1,795,218	1,695,218
Fund balances, December 31	\$ 0	\$ 0	\$ 1,676,711	\$ 1,676,711

See accompanying notes to the financial statements.

CITY OF JASPER, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2019

	Business-Type Activities		
	Water and Sewerage	Nonmajor Sanitation	Totals
ASSETS			
Current assets			
Cash and cash equivalents	\$ 846,488	\$ 12,225	\$ 858,713
Restricted cash and cash equivalents	653,345	39,267	692,612
Accounts receivable (net)	495,676	16,762	512,438
Other receivables	81,934	0	81,934
Due from other funds	0	14,428	14,428
Prepaid items	16,580	2,418	18,998
Inventories	115,639	0	115,639
Total current assets	<u>2,209,662</u>	<u>85,100</u>	<u>2,294,762</u>
Noncurrent assets			
Capital assets			
Nondepreciable	1,352,732	0	1,352,732
Depreciable (net)	18,473,107	96,440	18,569,547
Total noncurrent assets	<u>19,825,839</u>	<u>96,440</u>	<u>19,922,279</u>
Total assets	<u>22,035,501</u>	<u>181,540</u>	<u>22,217,041</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pension	<u>227,755</u>	<u>25,714</u>	<u>253,469</u>
LIABILITIES			
Current liabilities			
Accounts payable	49,855	0	49,855
Accrued salaries	26,014	1,659	27,673
Due to other funds	40,362	7,889	48,251
Compensated absences payable	57,987	3,116	61,103
Unearned revenue	8,000	0	8,000
Accrued interest payable	12,353	0	12,353
Notes payable	352,051	0	352,051
Capital lease payable	93,999	26,704	120,703
Liabilities payable from restricted assets			
Customer deposits payable	653,345	0	653,345
Total current liabilities	<u>1,293,966</u>	<u>39,368</u>	<u>1,333,334</u>
Noncurrent liabilities			
Compensated absences payable	24,852	9,347	34,199
Net pension liability	231,639	29,962	261,601
Notes payable	4,132,831	0	4,132,831
Capital lease payable	178,940	105,623	284,563
Total noncurrent liabilities	<u>4,568,262</u>	<u>144,932</u>	<u>4,713,194</u>
Total liabilities	<u>5,862,228</u>	<u>184,300</u>	<u>6,046,528</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - pension	<u>69,256</u>	<u>6,915</u>	<u>76,171</u>
NET POSITION			
Net investment in capital assets	15,068,018	3,380	15,071,398
Unrestricted	1,263,754	12,659	1,276,413
Total net position	<u>\$ 16,331,772</u>	<u>\$ 16,039</u>	<u>\$ 16,347,811</u>

See accompanying notes to the financial statements.

CITY OF JASPER, GEORGIA
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the year ended December 31, 2019

	Business-Type Activities		
	Water and Sewerage	Nonmajor Sanitation	Totals
OPERATING REVENUES			
Charges for service	\$ 4,528,306	\$ 158,160	\$ 4,686,466
Miscellaneous	42,993	0	42,993
Total operating revenues	4,571,299	158,160	4,729,459
OPERATING EXPENSES			
Cost of sales and services	1,406,249	70,502	1,476,751
Personal services	1,959,104	147,325	2,106,429
Depreciation	749,321	11,887	761,208
Total operating expenses	4,114,674	229,714	4,344,388
Operating income	456,625	(71,554)	385,071
Non-operating revenues (expenses)			
Interest revenue	1,342	45	1,387
Interest expense	(166,219)	(1,483)	(167,702)
Total non-operating revenues (expenses)	(164,877)	(1,438)	(166,315)
Net income before capital contributions and transfers	291,748	(72,992)	218,756
Capital contributions	35,500	0	35,500
Net income before transfers	327,248	(72,992)	254,256
Transfers			
Transfers in	0	92,000	92,000
Transfers out	(92,000)	0	(92,000)
Total transfers in (out)	(92,000)	92,000	0
Change in net position	235,248	19,008	254,256
Net position, January 1	16,096,524	(2,969)	16,093,555
Net position, December 31	\$ 16,331,772	\$ 16,039	\$ 16,347,811

CITY OF JASPER, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the year ended December 31, 2019

	Business-Type Activities		
	Water and Sewerage	Nonmajor Sanitation	Totals
Cash flows from operating activities:			
Receipts from customers and users	\$ 4,518,021	\$ 150,865	\$ 4,668,886
Payments to suppliers	(1,386,029)	(69,411)	(1,455,440)
Payments to employees	(1,937,327)	(145,982)	(2,083,309)
Other receipts	42,993	0	42,993
Net cash provided (used) by operating activities	<u>1,237,658</u>	<u>(64,528)</u>	<u>1,173,130</u>
Cash flows from non-capital financing activities:			
Payments to other funds	(109,849)	0	(109,849)
Receipts from other funds	0	82,019	82,019
Net cash provided (used) by non-capital financing activities	<u>(109,849)</u>	<u>82,019</u>	<u>(27,830)</u>
Cash flows from capital and related financing activities:			
Receipts from other governments	49,658	0	49,658
Acquisition of capital assets	(466,800)	(101,773)	(568,573)
Payment of other contracts payable	(68,638)	0	(68,638)
Principal payments - notes payable	(404,608)	0	(404,608)
Principal payments - capital lease payable	(84,490)	0	(84,490)
Proceeds from issuance of capital lease	55,676	132,327	188,003
Interest paid	(167,443)	(1,483)	(168,926)
Net cash provided (used) by capital and related financing activities	<u>(1,086,645)</u>	<u>29,071</u>	<u>(1,057,574)</u>
Cash flows from investing activities:			
Interest received	1,342	45	1,387
Net increase in cash and cash equivalents	42,506	46,607	89,113
Cash and cash equivalents, January 1	<u>1,457,327</u>	<u>4,885</u>	<u>1,462,212</u>
Cash and cash equivalents, December 31	<u><u>\$ 1,499,833</u></u>	<u><u>\$ 51,492</u></u>	<u><u>\$ 1,551,325</u></u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ 456,625	\$ (71,554)	\$ 385,071
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	749,321	11,887	761,208
(Increase) decrease in accounts receivable	(24,061)	(7,295)	(31,356)
(Increase) decrease in other receivables	3,663	0	3,663
(Increase) decrease in prepaid items	14,063	1,091	15,154
(Increase) decrease in inventory	(11,283)	0	(11,283)
(Increase) decrease in deferred outflows of resources - pension	21,318	1,323	22,641
Increase (decrease) in accounts payable	17,440	0	17,440
Increase (decrease) in accrued payroll liabilities	4,417	2,624	7,041
Increase (decrease) in customer deposits payable	10,113	0	10,113
Increase (decrease) in net pension liability	80,023	4,964	84,987
Increase (decrease) in deferred inflows of resources - pension	(83,981)	(7,568)	(91,549)
Total adjustments	<u>781,033</u>	<u>7,026</u>	<u>788,059</u>
Net cash provided (used) by operating activities	<u><u>\$ 1,237,658</u></u>	<u><u>\$ (64,528)</u></u>	<u><u>\$ 1,173,130</u></u>
Cash and cash equivalents reconciliation			
Cash and cash equivalents	\$ 846,488	\$ 12,225	\$ 858,713
Restricted cash and cash equivalents	<u>653,345</u>	<u>39,267</u>	<u>692,612</u>
	<u><u>\$ 1,499,833</u></u>	<u><u>\$ 51,492</u></u>	<u><u>\$ 1,551,325</u></u>

CITY OF JASPER, GEORGIA
MUNICIPAL COURT CUSTODIAL FUND
STATEMENT OF FIDUCIARY NET POSITION
December 31, 2019

ASSETS

Cash and cash equivalents	\$ 14,433
Accounts receivable	<u>2,070</u>
Total assets	<u>16,503</u>

LIABILITIES

Due to others	<u>16,503</u>
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NET POSITION

Restricted for judicial	<u><u>\$ 0</u></u>
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CITY OF JASPER, GEORGIA
MUNICIPAL COURT CUSTODIAL FUND
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the year ended December 31, 2019

ADDITIONS	
Fines and forfeitures collected for other governments	\$ 93,142
DEDUCTIONS	
Distributions of fines and forfeitures to other governments	<u>93,142</u>
Change in net position	0
Net position, January 1	<u>0</u>
Net position, December 31	<u><u>\$ 0</u></u>

CITY OF JASPER, GEORGIA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
December 31, 2019

	<u>Industrial Development Authority</u>	<u>Downtown Development Authority</u>	<u>Jasper Development Authority</u>	<u>Totals</u>
ASSETS				
Current assets				
Cash and cash equivalents	\$ 1,000	\$ 9,194	\$ 18,599	\$ 28,793
Interest receivable	0	3	0	3
Note receivable from primary government	0	41,269	0	41,269
Total current assets	1,000	50,466	18,599	70,065
Noncurrent assets				
Note receivable from primary government	0	270,585	0	270,585
Total assets	<u>1,000</u>	<u>321,051</u>	<u>18,599</u>	<u>340,650</u>
LIABILITIES				
Current liabilities				
Accrued interest payable	0	3	0	3
Note payable	0	41,269	0	41,269
Total current liabilities	0	41,272	0	41,272
Noncurrent liabilities				
Note payable	0	270,585	0	270,585
Total liabilities	<u>0</u>	<u>311,857</u>	<u>0</u>	<u>311,857</u>
NET POSITION				
Restricted for economic development	1,000	9,194	0	10,194
Unrestricted	0	0	18,599	18,599
Total net position	<u>\$ 1,000</u>	<u>\$ 9,194</u>	<u>\$ 18,599</u>	<u>\$ 28,793</u>

CITY OF JASPER, GEORGIA
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
For the year ended December 31, 2019

	Industrial Development Authority	Downtown Development Authority	Jasper Development Authority	Totals
Expenses				
Total expenses	\$ 0	\$ 0	\$ 0	\$ 0
Program revenues				
Total program revenues	0	0	0	0
Net (expense) revenue	0	0	0	0
General revenues				
Interest	0	23	46	69
Change in net position	0	23	46	69
Net position - December 1	1,000	9,171	18,553	28,724
Net position - December 31	<u>\$ 1,000</u>	<u>\$ 9,194</u>	<u>\$ 18,599</u>	<u>\$ 28,793</u>

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

1. Summary of Significant Accounting Policies

The financial statements of the City of Jasper, Georgia (the "City") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City's significant accounting policies are described below.

A. Reporting Entity

The City was established in 1857. The City operates under a City Council / Mayor form of government. Policy making and legislative authority are vested in an elected five-member City Council. The City provides the following services: public safety, street and sanitation, culture and recreation, public improvements and general and administrative services. In addition, the City operates public utilities for water and sewer for the incorporated and immediate surrounding areas.

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. In conformity with generally accepted accounting principles, as set forth in Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, as amended by Statement No. 61, the financial statements of component units have been included as discretely presented component units. The City has three component units. Each component unit is discretely presented. The component unit column on the government-wide financial statements is used to emphasize that the entities are legally separate from the City. Financial information pertaining to the component units can be obtained from the City upon request.

The City of Jasper Downtown Development Authority (the "DDA") is reported as a discretely presented component unit in the accompanying financial statements. The purpose of the DDA is to promote business and commerce within the downtown business district of the City. The Mayor and City Council appoint all of the board members to the DDA. Information included herein has been compiled from the records of the DDA.

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

1. Summary of Significant Accounting Policies (continued)

A. Reporting Entity

The Industrial Development Authority (the "IDA") is reported as a discretely presented component unit in the accompanying financial statements. The purpose of the IDA is to promote industry and commerce within the central business district of the City. The Mayor and City Council appoint all of the board members to the IDA. Information included herein has been compiled from the records of the IDA.

The Jasper Development Authority (the "JDA") is reported as a discretely presented component unit in the accompanying financial statements. The purpose of the JDA is to promote business and commerce within the downtown business district of the City. The Mayor and City Council appoint all of the board members to the JDA. Information included herein has been compiled from the records of the JDA.

The Housing Authority is a related organization of the City. The City appoints the board members of the Authority. It exists in order to provide housing for low-income individuals that reside within the City limits and meet certain eligibility requirements. The Housing Authority makes payments in lieu of taxes to the City instead of property taxes.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and its component units. (For the most part, the effect of interfund activity has been removed from these statements). Government-wide financial statements do not provide information by fund, but distinguish between the City's governmental activities and business-type activities. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from discretely presented component units. The Statement of Net Position will include noncurrent assets and noncurrent liabilities. In addition, the government-wide Statement of Activities reflects depreciation expense on the City's capital assets.

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

1. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements (continued)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not considered program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the economic resource measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting and Basis of Presentation, continued

Property taxes, sales taxes, franchise taxes, licenses, fines and forfeitures, intergovernmental grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

In accordance with GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions," the corresponding assets (receivables) in nonexchange transactions are recognized in the period in which the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source.

In accordance with GASB Statement No. 34, major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The **General Fund** is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **2014 SPLOST Fund** accounts for the receipt and disbursement of special purpose local option sales tax (SPLOST) funds.

The City reports the following major proprietary funds:

The **Water and Sewerage Fund** accounts for the activity of the City's water and sewerage utility system.

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting and Basis of Presentation,
continued

The City also reports the following fund types:

Governmental Fund Types

The **Special Revenue Funds** are used to account for specific revenues, such as confiscations and forfeitures and hotel/motel tax revenues, which are legally restricted or committed to expenditures for specific, restricted purposes.

The **Capital Project Funds** are used to account for the collection and expenditures of certain restricted revenues, such as sales tax receipts and impact fee.

Proprietary Fund Types

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The funds are self-supporting in nature where the costs, including depreciation, of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges.

Fiduciary Fund Types

Custodial Funds – Custodial Funds are custodial in nature and do not present results of operations or have a measurement focus. Custodial Funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that are held either for the City or for others. The City has a custodial fund to account for the activity of the Municipal Court.

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting and Basis of Presentation, continued

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges for goods and services provided. Operating expenses of the enterprise funds include the cost of these goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Cash and Investments

Amounts reported as cash by the City in the accompanying financial statements include cash on hand and on deposit with financial institutions.

Georgia statutes authorize the City to invest in the following: (1) obligations of Georgia or any other state; (2) obligations of the United States; (3) obligations fully insured or guaranteed by the United States government or one of its agencies; (4) obligations of any corporation of the United States government; (5) prime bankers' acceptances; (6) the State of Georgia local government investment pool; (7) repurchase agreements; and (8) obligations of any other political subdivisions of the State of Georgia.

Any investment or deposit in excess of the federal depository insured amounts must be collateralized by an equivalent amount of state or U.S. obligations. For purposes of the statement of cash flows, all highly liquid investments with an original maturity of less than 90 days are considered to be cash equivalents. Investments are reported at fair value as determined by quoted market prices.

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

1. Summary of Significant Accounting Policies (continued)

E. Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds is reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Customer accounts receivable include billed but uncollected amounts and unbilled receivables based upon a pro rata amount of subsequent monthly billings. Allowances for doubtful accounts are maintained based on historical results adjusted to reflect current conditions.

Advances between funds, as reported in the fund financial statements, represent long-term borrowing arrangements with established repayment schedules, and are offset by non-spendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

F. Prepaid Items

Prepaid items are accounted for using the consumption method. Payments made to vendors for services that will benefit periods beyond the current year are recorded as prepaid items in both government-wide and fund financial statements.

G. Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an asset at the time the individual item is purchased and is adjusted when accounted for at interval periods during the year or at year-end.

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

1. Summary of Significant Accounting Policies (continued)

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value. Infrastructure (e.g., roads, bridges, sidewalks, and similar items) prior to January 1, 2004 have not been reported.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

	Useful Life
	<u>in Years</u>
Infrastructure	10 to 50
Buildings and improvements	20 to 50
Vehicles	2 to 15
Machinery and equipment	3 to 15
Furniture and fixtures	3 to 15
Park improvements	10 to 20

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

1. Summary of Significant Accounting Policies (continued)

I. Deferred Outflows / Inflows of Resources

The City implemented GASB Statements No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and No. 65, *Items Previously Reported as Assets and Liabilities*, as of January 1, 2013. These new standards establish accounting and financial reporting for deferred outflows / inflows of resources and the concept of net position as the residual of all other elements presented in a statement of net position.

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense / expenditure) until then. The City reports deferred outflows of resources related to their defined benefit pension plan.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City's unavailable revenues arise only under a modified accrual basis of accounting. Accordingly, they are reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, which will be recognized as an inflow of resources in the period in which the amounts become available. The City also reports deferred inflows of resources related to their defined benefit pension plan.

J. Compensated Absences

The City offers full-time employees compensated time off for personal leave, which may be used for vacation or sickness. Personal leave is accrued on a monthly basis according to length of service. Policy permits employees to carry forward accumulated, but unused, leave time of 240 hours of vacation leave and 480 hours of sick leave. The City's liability has been calculated using the vesting method; leave amounts for both employees who are currently eligible to receive termination payments and other employees who are expected to become eligible in the future for such payments, are included.

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

1. Summary of Significant Accounting Policies (continued)

K. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the term of the bonds using the effective interest method. Bonds payable are reported net of the applicable discount or premium. Issuance costs are reported as expenses when incurred.

Proprietary fund type loans payable are reported as liabilities at their outstanding value. Loan issuance costs are reported as expenses when incurred. In the fund financial statements, governmental fund types report the face amount of debt issued and related premiums or discounts as other financing sources and bond issuance costs as expenditures.

L. Fund Equity and Net Position

Fund equity at the governmental fund financial reporting level is classified as “fund balance.” Fund equity for all other reporting is classified as “net position.”

Fund Balance – Generally, fund balance represents the difference between the assets and liabilities and deferred inflows of resources under the current financial resources management focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

Fund balances are classified as follows:

Nonspendable – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

1. Summary of Significant Accounting Policies (continued)

L. Fund Equity and Net Position, continued

Restricted – Fund balances are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

Committed – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by a formal vote (resolution) of the City Council. Only the City Council may modify or rescind the commitment.

Assigned – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. The City Council retains the authority to assign amounts for specific purposes by a formal vote (resolution). Only the City Council may modify or rescind the assignment.

Unassigned – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the General Fund.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order: (1) Committed, (2) Assigned, (3) Unassigned.

Net Position – Net position represents the difference between assets and liabilities in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted.

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

1. Summary of Significant Accounting Policies (continued)

L. Fund Equity and Net Position, continued

Minimum Fund Balance Policy – The Mayor and City Council have adopted a financial policy to maintain a minimum level of unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) in the general fund. The target level is set at 20%, which is approximately two to three months of general fund annual revenues. This amount is intended to provide fiscal stability when economic downturns and other unexpected events occur. If fund balance falls below the minimum target level because it has been used, essentially as a “revenue” source, as dictated by current circumstances, the policy provides for actions to replenish the amount to the minimum target level. Generally, replenishment is to occur within a five-year period.

M. Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures/expenses during the period. Actual results could differ from those estimates.

N. Interfund Transactions

Interfund services provided and used in the fund financial statements are accounted for as revenue, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as a reduction of expenditures/expenses in the fund that is reimbursed.

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

1. Summary of Significant Accounting Policies (continued)

O. Budgets

Annual appropriated budgets are adopted for all funds. The budgets for the proprietary funds are for management control purposes and are not required to be reported. Budgets are adopted on a modified accrual basis, which is consistent with generally accepted accounting principles for governmental funds. All appropriations lapse at fiscal year-end. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is not employed by the City.

R. Pensions

For the purposes of measuring the net pension liability, deferred inflows/outflows of resources related to pensions and pension expense information about the fiduciary net position of the City of Jasper Employees' Pension Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

2. Legal Compliance - Budgets

The applicable statutes of the State of Georgia require the City to operate under an annual balanced budget adopted by resolution for all governmental funds. A budget is defined as being balanced when the sum of estimated net revenues and appropriated fund balance is equal to appropriations. Annual budgets are adopted for the General Fund and each special revenue fund. Capital projects funds have project length budgets. The budget is adopted on a basis consistent with generally accepted accounting principles, and on the same basis of accounting used by each fund to which the budget applies. Each fund's appropriated budget is prepared on a detailed line-item basis. Revenues are budgeted by source and expenditures are budgeted by department, which constitutes the legal level of control and the level at which expenditures may not legally exceed appropriations. All annual appropriations lapse at year-end.

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

2. Legal Compliance - Budgets (continued)

Budget revisions at the department level are subject to final review by the City Council. Amendments to the budget were made for the year to reflect greater than expected revenues and increased operating costs in certain departments.

Although not required by state law, an operating budget is also adopted for the proprietary funds for administrative control purposes.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of resources are recorded in order to reserve that portion of the applicable appropriation, is not employed by the City.

3. Deposits

Credit risk: The City's policy is to adhere to the State statutes as it relates to credit risk for investments. State statutes authorize the City to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime banker's acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia.

Custodial Credit Risk – Deposits: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes, and City policy, require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities.

Interest rate risk: The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

3. Deposits (continued)

Concentration of Credit Risk: The City has no formal policy on the amount the City may invest with any one issuer.

Foreign currency risk: The City has no investments denominated in a foreign currency.

4. Receivables

Receivables at the end of the current year for the City's individual major funds and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

<u>Governmental Activities</u>	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Totals</u>
Receivables:			
Taxes	\$ 1,399,737	\$ 4,435	\$ 1,404,172
Less allowance for uncollectible	(142,095)	0	(142,095)
Net totals	<u>\$ 1,257,642</u>	<u>\$ 4,435</u>	<u>\$ 1,262,077</u>
<u>Business-type Activities</u>	<u>Water and Sewerage Fund</u>	<u>Nonmajor Sanitation Fund</u>	<u>Totals</u>
Receivables:			
Accounts	\$ 639,487	\$ 16,762	\$ 656,249
Other	81,934	0	81,934
Less allowance for uncollectible	(143,811)	0	(143,811)
Net totals	<u>\$ 577,610</u>	<u>\$ 16,762</u>	<u>\$ 594,372</u>

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

5. Property Taxes

Property tax rates are set by the City Council each year and are limited by statutory or constitutional provision. Property values are assessed as of January 1st each year. Property taxes for the 2019 tax digest year, based upon the assessments as of January 1, 2019, were levied on October 7, 2019, billed on November 15, 2019, and due on January 31, 2020. Unpaid tax bills become delinquent on April 1, 2020 and liens will be put on property with unpaid tax as of 5/1/2020. The 2019 tax digest is to fund the 2020 budget. Therefore, the tax proceeds for this year have been reported as deferred inflows of resources.

6. Interfund Receivables, Payables, and Transfers

A summary of interfund receivables and payables at the end of the current year is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor Governmental	\$ 13,809
	Water and Sewerage	25,934
	Sanitation	7,889
Nonmajor Governmental	General	29,954
Sanitation	Water and Sewerage	<u>14,428</u>
		<u>\$ 92,014</u>

The balance reported as Due to/Due from represent loans between the borrower funds and the lender. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances”.

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

6. Interfund Receivables, Payables, and Transfers (continued)

Interfund activity consisted of the following for the current year:

<u>Transfer Out Fund</u>	<u>Transfer In Fund</u>	<u>Amount</u>
General	Nonmajor Governmental	\$ 29,954
Nonmajor Governmental	General	13,809
Water and Sewerage	Sanitation	92,000
		<u>\$ 135,763</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

7. Capital Assets

Capital asset activity for the primary government for the current year is as follows:

	Balance Beginning	Increases	Decreases	Balance Ending
Governmental activities				
Non-depreciable assets				
Land	\$ 3,284,051	\$ 66,915	\$ 0	\$ 3,350,966
Construction in progress	42,673	0	(42,673)	0
Total non-depreciable assets	<u>3,326,724</u>	<u>66,915</u>	<u>(42,673)</u>	<u>3,350,966</u>
Depreciable assets				
Buildings and improvements	1,044,094	75,282	0	1,119,376
Infrastructure	2,634,085	0	0	2,634,085
Machinery and equipment	3,276,874	133,143	(64,593)	3,345,424
Park improvements	697,020	0	0	697,020
Total depreciable assets	<u>7,652,073</u>	<u>208,425</u>	<u>(64,593)</u>	<u>7,795,905</u>
Less accumulated depreciation				
Buildings and improvements	(381,911)	(23,070)	0	(404,981)
Infrastructure	(740,734)	(110,164)	0	(850,898)
Machinery and equipment	(2,021,627)	(162,758)	48,789	(2,135,596)
Park improvements	(380,838)	(16,952)	0	(397,790)
Total accumulated depreciation	<u>(3,525,110)</u>	<u>(312,944)</u>	<u>48,789</u>	<u>(3,789,265)</u>
Total depreciable assets, net	<u>4,126,963</u>	<u>(104,519)</u>	<u>(15,804)</u>	<u>4,006,640</u>
Governmental activities capital assets, net	<u>\$ 7,453,687</u>	<u>\$ (37,604)</u>	<u>\$ (58,477)</u>	<u>\$ 7,357,606</u>
Business-type activities				
Non-depreciable assets				
Land	\$ 1,162,347	\$ 0	\$ 0	\$ 1,162,347
Construction in progress	151,858	130,842	(92,315)	190,385
Total non-depreciable assets	<u>1,314,205</u>	<u>130,842</u>	<u>(92,315)</u>	<u>1,352,732</u>
Depreciable assets				
Buildings and improvements	2,487,714	0	0	2,487,714
Infrastructure	26,149,846	284,461	0	26,434,307
Machinery and equipment	2,095,541	88,693	(15,612)	2,168,622
Vehicle	846,494	156,892	0	1,003,386
Furniture and fixtures	8,799	0	0	8,799
Total depreciable assets	<u>31,588,394</u>	<u>530,046</u>	<u>(15,612)</u>	<u>32,102,828</u>
Less accumulated depreciation				
Buildings and improvements	(577,807)	(58,982)	0	(636,789)
Infrastructure	(10,591,808)	(533,968)	0	(11,125,776)
Machinery and equipment	(1,067,613)	(109,375)	0	(1,176,988)
Vehicle	(541,658)	(58,883)	15,612	(584,929)
Furniture and fixtures	(8,799)	0	0	(8,799)
Total accumulated depreciation	<u>(12,787,685)</u>	<u>(761,208)</u>	<u>15,612</u>	<u>(13,533,281)</u>
Total depreciable assets, net	<u>18,800,709</u>	<u>(231,162)</u>	<u>0</u>	<u>18,569,547</u>
Business-type activities capital assets, net	<u>\$ 20,114,914</u>	<u>\$ (100,320)</u>	<u>\$ (92,315)</u>	<u>\$ 19,922,279</u>

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

7. Capital Assets (continued)

Capital assets were reclassified from machinery and equipment to vehicles. This reclassification had no effect on the net value of capital assets.

Decreases in construction in progress for the governmental activities consist of projects placed into service in the amount of \$40,173 and projects abandoned in the amount of \$2,500.

Depreciation expense was charged to functions/programs as follows:

Primary Government

Governmental activities

General Government	\$ 6,538
Public Safety	120,693
Public Works	161,064
Culture and Recreation	<u>24,649</u>

Total depreciation expense for governmental activities	<u><u>\$ 312,944</u></u>
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Business-type activities

Water and Sewerage	\$ 749,321
Sanitation	<u>11,887</u>

Total depreciation expense for business-type activities	<u><u>\$ 761,208</u></u>
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CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

8. Long-Term Liabilities

Capital Lease Obligations

The City has entered into multiple capital lease agreements with various financial institutions to finance vehicle and equipment purchases. The terms of the agreements meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, which defines a capital lease generally as one which transfers benefits and risk of ownership to the lessee. The balances of these leases at the end of the current fiscal year are \$767,483 and \$405,266 for governmental and business-type activities, respectively.

Total assets leased under capital leases are \$1,051,507 and \$570,254 for governmental and business-type activities, respectively, and are classified as follows:

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>
Machinery and equipment	\$ 697,890	\$ 83,871	\$ 156,757	\$ 29,315
Vehicles and equipment	353,617	128,327	413,497	119,085
Total assets under capital leases	<u>\$ 1,051,507</u>	<u>\$ 212,198</u>	<u>\$ 570,254</u>	<u>\$ 148,400</u>

Individual leases outstanding at the end of the current year are listed below with their related interest rate and maturity.

Governmental Activities

<u>Agreement</u>	<u>Rate</u>	<u>Maturity</u>	<u>Balance</u>
BB&T 2017 Equipment Lease	2.93%	2022	\$ 120,208
BB&T 2019 Equipment Lease	3.23%	2024	75,926
Magnolia Bank Equipment Lease	4.51%	2022	29,779
Leasing2, Inc. Fire Truck Lease	4.51%	2032	541,570
Total capital leases			767,483
Less current portion of leases			(101,425)
Long-term portion of leases			<u>\$ 666,058</u>

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

8. Long-Term Liabilities (continued)

Capital Lease Obligations, continued

The City's capital leases debt service requirements to maturity are as follows:

Year Ending December 31,	Principal	Interest	Total
2020	\$ 101,425	\$ 30,111	\$ 131,536
2021	105,968	25,565	131,533
2022	78,973	24,293	103,266
2023	49,512	20,376	69,888
2024	45,656	18,905	64,561
2025-2029	195,018	70,021	265,039
2030-2034	190,931	21,905	212,836
Totals	<u>\$ 767,483</u>	<u>\$ 211,176</u>	<u>\$ 978,659</u>

Business-Type Activities

Individual leases outstanding at the end of the current year are listed below with their related interest rate and maturity.

Agreement	Rate	Maturity	Balance
BB&T 2017 Equipment Lease	2.93%	2022	\$ 220,702
BB&T 2019 Equipment Lease	3.23%	2024	184,564
Total capital leases			405,266
Less current portion of leases			(120,703)
Long-term portion of leases			<u>\$ 284,563</u>

The City's capital leases debt service requirements to maturity are as follows:

Year Ending December 31,	Principal	Interest	Total
2020	\$ 120,703	\$ 13,172	\$ 133,875
2021	124,402	9,544	133,946
2022	91,031	5,804	96,835
2023	41,028	2,131	43,159
2024	28,102	342	28,444
Totals	<u>\$ 405,266</u>	<u>\$ 30,993</u>	<u>\$ 436,259</u>

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

8. Long-Term Liabilities (continued)

Notes from Direct Borrowings

Governmental Activities

The Downtown Development Authority of Jasper currently holds two notes from direct borrowings at local financial institutions for assets leased to the City through a lease-purchase agreement. The annual lease payments for the buildings and adjoining land parcels equal the amount of the annual debt service payments. Upon the payments of the debt in full, the assets are to be sold to the City for \$1. The amount outstanding at year was \$311,854. See Jasper Downtown Development Authority Component Unit for additional information.

Business-Type Activities

The City has entered into multiple notes from direct borrowing agreements with the Georgia Environmental Finance Authority to finance improvements to the City's water and sewerage system. Note payments and performance obligations are secured by revenues on taxes, fees and charges collected by the City. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. Individual notes from direct borrowings outstanding at the end of the current year are listed below with their related interest rate and maturity.

<u>Agreement</u>	<u>Rate</u>	<u>Maturity</u>	<u>Balance</u>
GEFA 2002L29WJ	4.21%	2024	\$ 217,287
GEFA 2005L18WS	4.14%	2027	307,332
GEFA 2007L05WS	4.19%	2029	1,110,309
GEFA 2007L05WSB	4.19%	2031	785,525
GEFA 2010L20WS	3.81%	2033	525,257
GEFA 2012L18WS	2.82%	2034	233,146
GEFA CW12006	1.82%	2035	<u>1,306,026</u>
Total notes from direct borrowings			4,484,882
Less current portion of notes from direct borrowings			<u>(352,051)</u>
Long-term portion of notes from direct borrowings			<u>\$ 4,132,831</u>

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

8. Long-Term Liabilities (continued)

Notes from Direct Borrowings, continued

The City's notes from direct borrowings debt service requirements to maturity are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 352,051	\$ 145,925	\$ 497,976
2021	364,922	133,054	497,976
2022	378,299	119,677	497,976
2023	392,202	105,774	497,976
2024	364,111	91,920	456,031
2025-2029	1,771,695	269,321	2,041,016
2030-2034	853,435	43,545	896,980
2035	8,167	119	8,286
Totals	<u>\$ 4,484,882</u>	<u>\$ 909,335</u>	<u>\$ 5,394,217</u>

Jasper Downtown Development Authority Component Unit

The Downtown Development Authority of Jasper currently holds two notes from direct borrowings at various financial institutions for assets leased to the City through a lease purchase agreement. The annual lease payments for the buildings and adjoining land parcels equal the amount of annual debt service payments. Upon full payment of the debt, the assets are to be sold to the City at a purchase price of \$1. In the event of default, the lender has the option to declare the full amount of unpaid principal and interest due immediately. Individual borrowings outstanding at the end of the current year are listed below with their related interest rate and maturity.

<u>Agreement</u>	<u>Rate</u>	<u>Maturity</u>	<u>Balance</u>
Regions Bank - Police Precinct	4.75%	2024	\$ 191,899
United Community Bank - 36 E. Spring Street	5.07%	2026	119,955
Total direct borrowings			311,854
Less current portion of borrowings			(41,269)
Long-term portion of borrowings			<u>\$ 270,585</u>

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

8. Long-Term Liabilities (continued)

Notes from Direct Borrowings, continued

The Authority's notes from direct borrowings debt service requirements to maturity are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 41,269	\$ 14,303	\$ 55,572
2021	43,310	12,261	55,571
2022	45,434	10,137	55,571
2023	47,662	7,909	55,571
2024	37,797	5,654	43,451
2025-2026	96,382	9,410	105,792
Totals	<u>\$ 311,854</u>	<u>\$ 59,674</u>	<u>\$ 371,528</u>

Contracts payable

During the year 2005, the City entered into a contract to purchase 14.158 acres of land located above the raw water source for the City's water system on Cove Road in order to secure the water rights. The total purchase price for those water rights and the land was \$710,900. This was a long-term contract not to exceed 30 years. Annual payments are determined by the Council and are dependent upon budgetary considerations. The contract allowed for additional principal payments to be applied to development costs for future development from the seller. The City paid the contract in full during the current year.

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

8. Long-Term Liabilities (continued)

Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities of the City for the current year:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities					
Notes from direct borrowings-					
DDA component unit	\$ 351,230	\$ 0	\$ (39,376)	\$ 311,854	\$ 41,269
Capital lease obligations	739,433	119,977	(91,927)	767,483	101,425
Compensated absences	157,657	98,432	(88,919)	167,170	125,377
Total governmental activities	<u>\$ 1,248,320</u>	<u>\$ 218,409</u>	<u>\$ (220,222)</u>	<u>\$ 1,246,507</u>	<u>\$ 268,071</u>
Business-type activities					
Notes from direct borrowings	\$ 4,889,490	\$ 0	\$ (404,608)	\$ 4,484,882	\$ 352,051
Capital lease obligations	301,753	188,003	(84,490)	405,266	120,703
Contracts payable	68,638	0	(68,638)	0	0
Compensated absences	89,141	86,146	(79,985)	95,302	61,103
Total business-type activities	<u>\$ 5,349,022</u>	<u>\$ 274,149</u>	<u>\$ (637,721)</u>	<u>\$ 4,985,450</u>	<u>\$ 533,857</u>
Downtown Development Authority Component Unit					
Notes from direct borrowings	<u>\$ 351,230</u>	<u>\$ 0</u>	<u>\$ (39,376)</u>	<u>\$ 311,854</u>	<u>\$ 41,269</u>

For governmental funds, compensated absences are liquidated by the General Fund. For business-type activities, compensated absences are liquidated by the Water and Sewerage Fund and the Sanitation Fund. The total interest incurred and charged to expense for the current year was \$55,097 and \$167,702 for the governmental activities and business-type activities, respectively.

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

9. Net Investment in Capital Assets

The net investment in capital assets reported on the government-wide statement of net position is calculated as follows for the current year:

	Governmental Activities	Business-Type Activities
Cost of capital assets	\$ 11,146,871	\$ 33,455,560
Accumulated depreciation	(3,789,265)	(13,533,281)
Book value	7,357,606	19,922,279
Unspent debt proceeds	0	39,267
Notes payable	(311,854)	(4,484,882)
Capital lease obligation	(767,483)	(405,266)
Net investment in capital assets	<u>\$ 6,278,269</u>	<u>\$ 15,071,398</u>

10. Pension Plans

Defined Benefit Pension Plan

Plan Description. The City, as authorized by the City Council, has established a defined benefit pension plan (The City of Jasper Retirement Plan) covering all full-time employees. The City's pension plan is affiliated with the Georgia Municipal Employee Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. Contributions made by the City are commingled with contributions made by other members of GMEBS for investment purposes. Participants are not allowed to contribute to the Plan. The City does not own any securities on its own. Investment income from the securities is allocated on a pro rata basis. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, NW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

10. Pension Plans (continued)

Defined Benefit Pension Plan, continued

At July 1, 2019, the date of the most recent actuarial valuation, there were 129 participants consisting of the following:

Active participants	80
Vested terminated participants	20
Retired participants and beneficiaries	29
Total number of participants	129

Benefits Provided. As provided by state law, benefit provisions for participants in GMEBS are established by the respective employers. As authorized by City Council, the plan provides pension benefits and death and disability benefits for plan members and beneficiaries. Eligibility for participation is available immediately beginning with the date of employment for all full-time employees working more than 20 hours per week. Elected officials are not covered by the Plan. Employee benefits vest 50% after five years of service and continue vesting an additional 10% each year thereafter. Benefits fully vest after ten years of service. A City employee who retires at age 65 with five years of service is entitled to full benefits of 1.25% - 2.00% of final average earnings in excess of covered compensation. An employee may elect early retirement at age 55 provided he/she has a minimum of 10 years total credited service. Retirement between the ages of 55 and 65 will result in a reduced monthly benefit. To receive full benefits, an employee must be employed until age 65. The benefit is calculated on the last five years' highest averaged earnings.

Contributions. The plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted an actuarial funding policy for the plan which meets the state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the plan, as adopted by the City Council, is to contribute an amount equal to or greater than the recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by the plan members during the year, with an additional amount to finance any unfunded accrued liability. The City's contributions to the plan for the current year totaled \$138,420, or 3.82% of covered payroll. Employees do not contribute to the plan.

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

10. Pension Plans (continued)

Defined Benefit Pension Plan, continued

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. At the end of the current year, the City reported a net pension liability of \$605,250. The net pension liability was measured as of March 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. For the current year, the City recognized pension expense of \$196,292.

The components of the net pension liability are as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at March 31, 2018	\$ 4,236,673	\$ 3,840,748	\$ 395,925
Changes for the year:			
Service cost	76,252	0	76,252
Interest	316,332	0	316,332
Differences between expected and actual experience	77,892	0	77,892
Contributions—employer	0	137,285	(137,285)
Net investment income	0	136,896	(136,896)
Benefit payments, including refunds of employee contributions	(190,332)	(190,332)	0
Administrative expense	0	(13,030)	13,030
Net changes	280,144	70,819	209,325
Balances at March 31, 2019	\$ 4,516,817	\$ 3,911,567	\$ 605,250

Plan fiduciary net position as a percentage of the total pension liability	86.60%
Covered payroll	\$ 3,510,420
Employer's net pension liability as a percentage of covered payroll	17.24%

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

10. Pension Plans (continued)

Defined Benefit Pension Plan, continued

At the end of the current year, the City reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
City contributions subsequent to the measurement date	\$ 102,968	\$ 0
Differences between expected and actual experience	429,861	(162,454)
Changes of assumptions	35,004	(5,755)
Net difference between projected and actual earnings on pension plan investments	5,900	0
Totals	<u>\$ 573,733</u>	<u>\$ (168,209)</u>

The \$102,968 of deferred outflows of resources resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net position liability in the subsequent year. Other amounts reported as deferred outflows and deferred inflows of resources will be recognized in pension expense as follows:

Year Ending December 31,	Amount
2020	\$ 86,995
2021	31,189
2022	42,158
2023	129,228
2024	12,986
Totals	<u>\$ 302,556</u>

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

10. Pension Plans (continued)

Defined Benefit Pension Plan, continued

Actuarial Assumptions. The total pension liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Projected salary increases	2.75% plus service-based merit increases
Cost of living adjustments	0.00%
Net investment rate of return	7.50%

Healthy mortality rates were based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females. Disabled mortality rates were based on the RP-2000 Disabled Retiree Mortality Table with sex-distinct rates.

The mortality and economic actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period of January 1, 2010 through June 30, 2014.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The difference between the resulting rate and the rate on the ongoing basis is a margin for adverse deviation.

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

10. Pension Plans (continued)

Defined Benefit Pension Plan, continued

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of March 31, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	45%	6.40%
International equity	20%	7.40%
Real estate	10%	5.10%
Global fixed income	5%	3.03%
Domestic fixed income	20%	1.75%
Total	<u>100%</u>	

Discount Rate. The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from employer will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Asset/Liability to Changes in the Discount Rate. The following presents what the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.50 percent) or one percentage-point higher (8.50 percent) than the current rate:

	<u>Discount Rate</u>	<u>Net Pension Liability</u>
1% decrease	6.50%	\$ 1,254,004
Current discount rate	7.50%	\$ 605,250
1% increase	8.50%	\$ 70,238

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

10. Pension Plans (continued)

Defined Benefit Pension Plan, continued

Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued Georgia Municipal Employees Benefit System financial report.

Other Plans

In addition to the plan above, various City employees are also covered under the Peace Officers' Annuity and Benefit Fund of Georgia and the Georgia Firefighters' Pension Fund. Further information regarding these plans can be obtained from the plans' annual reports. These plans are immaterial to the financial statements.

11. Deferred Compensation Plan

The City of Jasper offers its employees a deferred compensation plan (the City of Jasper Savings and Retirement Plan) created in accordance with Internal Revenue Code Section 457. The Mayor and Council established this defined contribution plan and Valic administers the plan. Full-time City employees are eligible after completing 12 months of employment and participation is optional. This is a noncontributory plan; all contributions are made by the employees only. Employees' actual contributions are calculated and made based on a weekly payroll basis, and employees' contributions are 100% vested immediately. During the current year, the City's match was capped at 5%. Employees' contributions are vested immediately. The deferred compensation benefits are not available to employees until termination of employment, retirement, death (payable to a beneficiary) or unforeseeable emergency. During the current year, employee contributions were \$43,904.

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

12. Hotel/Motel Lodging Tax

The City has levied a 6% lodging tax in accordance with OCGA 48-13-51. The City is required to spend an amount equal to at least 66.66% for the purpose of promoting tourism, conventions, and trade shows or for facilities used for these purposes. A summary of the transactions for the current year follows:

Lodging tax receipts	\$ 70,677
Disbursements for tourism	\$ 56,868 80% of tax receipts

13. Joint Ventures

Under Georgia law, the City, in conjunction with other cities and counties in the northwest Georgia area, is a member of the Northwest Georgia Regional Commission (NWGRC) and is required to pay annual dues thereto. Membership in a regional commission (RC) is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the RCs in Georgia. The RC Board membership includes the chief elected official in each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. A copy of the Northwest Georgia Regional Commission financial statements can be obtained directly from their office at 503 Waugh Street, Dalton, GA 30720.

The City is a member of the Northwest Georgia Water Resources Partnership. This is an organization of water withdrawal permit holders, local governments, and other advocacy entities with an interest in water issues. The purpose of the Water Resources Partnership is to establish a regional organization of water-related interest in Northwest Georgia for monitoring and contributing to the development of federal, state and local policy, educating the citizenry on water-related issues, funding and managing regional water-related activities, and coordination the activities of federal, state and local entities. No annual dues are required to be paid by the City. Complete financial statements of the Northwest Georgia Water Resources Partnership can be obtained directly from the entity at P.O. Box 1793, Rome, GA 30162.

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

14. Risk Management

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the City carries commercial insurance in amounts deemed prudent by City management. There have been no significant reductions of insurance coverage from coverage in the prior year and settled claims have not exceeded the coverages in the past three years.

15. Contingencies

The City is a defendant in several lawsuits. Management intends to contest these open cases vigorously. The City's legal counsel has stated that the outcome of these lawsuits is not presently determinable. The City expects insurance to cover any negative judgements.

16. New Accounting Standards

The City implemented GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, effective for the City's current year. The requirements of this statement are effective for periods beginning after June 15, 2018.

The City implemented GASB Statement No. 84, *Fiduciary Activities*, effective for the City's current year. The requirements of this statement are effective for periods beginning after December 15, 2018.

CITY OF JASPER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

17. Subsequent Events

Management has evaluated subsequent events through May 4, 2020, the date the financial statements were available to be issued.

In January 2020, the World Health Organization has declared the outbreak of a novel coronavirus (COVID-19) as a “Public Health Emergency of International Concern,” which continues to spread throughout the world and has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets. The coronavirus outbreak and government responses are creating disruption in global supply chains and adversely impacting many industries. The outbreak could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown. The rapid development and fluidity of this situation precludes any prediction as to the ultimate material adverse impact of the coronavirus outbreak. Nevertheless, the outbreak presents uncertainty and risk with respect to the City, its performance, and its financial results.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF JASPER, GEORGIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
LAST TEN FISCAL YEARS
December 31, 2019
(Unaudited)

	Fiscal Year End	
	2019	2018
Total pension liability		
Service cost	\$ 76,252	\$ 83,554
Interest	316,332	267,312
Differences between expected and actual experience	77,892	466,554
Changes of assumptions	0	52,508
Benefit payments, including refunds of employee contributions	<u>(190,332)</u>	<u>(164,875)</u>
Net change in total pension liability	280,144	705,053
Total pension liability - beginning	<u>4,236,673</u>	<u>3,531,620</u>
Total pension liability - ending (a)	<u><u>\$ 4,516,817</u></u>	<u><u>\$ 4,236,673</u></u>
Plan fiduciary net position		
Contributions - employer	\$ 137,285	\$ 154,727
Net investment income	136,896	429,790
Benefit payments, including refunds of employee contributions	(190,332)	(164,875)
Administrative expense	<u>(13,030)</u>	<u>(11,796)</u>
Net change in plan fiduciary net position	70,819	407,846
Plan fiduciary net position - beginning	<u>3,840,748</u>	<u>3,432,902</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 3,911,567</u></u>	<u><u>\$ 3,840,748</u></u>
Net pension liability (asset) - ending : (a) - (b)	<u><u>\$ 605,250</u></u>	<u><u>\$ 395,925</u></u>
Plan's fiduciary net position as a percentage of the total pension liability	86.60%	90.65%
Covered payroll	\$ 3,510,420	\$ 2,938,575
Net pension liability as a percentage of covered payroll	17.24%	13.47%

Note: Fiscal year 2015 was the first year of implementation. Therefore, years prior are not reported.

Fiscal Year End

<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 96,340	\$ 93,171	\$ 86,325
274,439	247,450	225,394
(324,913)	111,686	100,123
0	0	(34,541)
<u>(110,788)</u>	<u>(97,349)</u>	<u>(88,050)</u>
(64,922)	354,958	289,251
<u>3,596,542</u>	<u>3,241,584</u>	<u>2,952,333</u>
<u><u>\$ 3,531,620</u></u>	<u><u>\$ 3,596,542</u></u>	<u><u>\$ 3,241,584</u></u>
\$ 138,580	\$ 123,819	\$ 150,163
383,621	9,291	264,083
(110,788)	(97,349)	(88,050)
<u>(12,015)</u>	<u>(8,219)</u>	<u>(7,498)</u>
399,398	27,542	318,698
<u>3,033,504</u>	<u>3,005,962</u>	<u>2,687,264</u>
<u><u>\$ 3,432,902</u></u>	<u><u>\$ 3,033,504</u></u>	<u><u>\$ 3,005,962</u></u>
<u><u>\$ 98,718</u></u>	<u><u>\$ 563,038</u></u>	<u><u>\$ 235,622</u></u>
97.20%	84.35%	92.73%
\$ 2,883,728	\$ 3,101,939	\$ 2,826,201
3.42%	18.15%	8.34%

See accompanying notes to the required supplementary information.

CITY OF JASPER, GEORGIA
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS
December 31, 2019
(Unaudited)

	Fiscal Year End	
	2019	2018
Actuarially determined contribution	\$ 138,420	\$ 135,782
Contributions in relation to the actuarially determined contribution	(138,420)	(135,782)
Contribution deficiency (excess)	\$ 0	\$ 0
Covered payroll	\$ 3,626,192	\$ 3,542,587
Contributions as a percentage of covered payroll	3.82%	3.83%

Note: Fiscal year 2015 was the first year of implementation. Therefore, years prior are not reported.

Fiscal Year End

<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 144,938	\$ 137,308	\$ 121,121
<u>(144,938)</u>	<u>(137,308)</u>	<u>(121,121)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 3,048,645	\$ 2,883,728	\$ 3,101,939
4.75%	4.76%	3.90%

See accompanying notes to the required supplementary information.

CITY OF JASPER, GEORGIA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2019

1. Valuation Date

The actuarially determined contribution rate was determined as of July 1, 2019, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the year ending December 31, 2020.

2. Methods and Assumptions Used to Determine Contribution Rates

Actuarial cost method = Projected unit credit

Amortization method = Closed level dollar for remaining unfunded liability

Remaining amortization period = Remaining amortization period varies for the bases, with a net effective amortization period of 30 years

Asset valuation method = Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.

Net investment rate of return = 7.50%

Projected salary increases = 2.75% plus service based merit increases

Cost of living adjustments = 0.00%

Retirement age for inactive vested participants = 65

Mortality = Healthy mortality rates were based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females. Disabled mortality rates were based on the RP-2000 Disabled Retiree Mortality Table with sex-distinct rates.

CITY OF JASPER, GEORGIA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2019

3. Changes in Benefits

There were no changes in benefit provision in the last two fiscal years.

4. Changes of Assumptions

Amounts reported in the fiscal year ending in 2018 and later reflect the following assumption changes based on an actuarial study conducted in September 2017:

The investment assumption was decreased from 7.75% to 7.50%.

The inflation assumption was decreased from 3.25% to 2.75%.

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COMBINING STATEMENTS
NONMAJOR GOVERNMENTAL FUNDS

CITY OF JASPER, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2019

	<u>Special Revenue</u>			Total Nonmajor Governmental Funds
	<u>Technology Surcharge</u>	<u>Confiscated Assets</u>	<u>Hotel/Motel Tax</u>	
ASSETS				
Cash and cash equivalents	\$ 117,427	\$ 5,431	\$ 155,082	\$ 277,940
Taxes receivable	0	0	4,435	4,435
Due from other funds	29,954	0	0	29,954
Total assets	<u>\$ 147,381</u>	<u>\$ 5,431</u>	<u>\$ 159,517</u>	<u>\$ 312,329</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 1,131	\$ 0	\$ 15,345	\$ 16,476
Due to other funds	0	0	13,809	13,809
Total liabilities	<u>1,131</u>	<u>0</u>	<u>29,154</u>	<u>30,285</u>
Fund balances				
Restricted for judicial and law enforcement	146,250	0	0	146,250
Restricted for law enforcement	0	5,431	0	5,431
Assigned to tourism	0	0	130,363	130,363
Total fund balances	<u>146,250</u>	<u>5,431</u>	<u>130,363</u>	<u>282,044</u>
Total liabilities and fund balances	<u>\$ 147,381</u>	<u>\$ 5,431</u>	<u>\$ 159,517</u>	<u>\$ 312,329</u>

CITY OF JASPER, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the year ended December 31, 2019

	Special Revenue			Total Nonmajor Governmental Funds
	Technology Surcharge	Confiscated Assets	Hotel/Motel Tax	
REVENUES				
Taxes	\$ 0	\$ 0	\$ 70,677	\$ 70,677
Fines and forfeitures	43,567	0	0	43,567
Interest	96	0	36	132
Total revenues	43,663	0	70,713	114,376
EXPENDITURES				
Current				
Judicial	17,651	0	0	17,651
Public safety	3,811	0	0	3,811
Housing and development	0	0	56,868	56,868
Total expenditures	21,462	0	56,868	78,330
Excess (deficiency of revenue over (under) expenditures	22,201	0	13,845	36,046
Other financing sources (uses)				
Transfers in	29,954	0	0	29,954
Transfers out	0	0	(13,809)	(13,809)
Total other financing sources (uses)	29,954	0	(13,809)	16,145
Net change in fund balance	52,155	0	36	52,191
Fund balances, January 1	94,095	5,431	130,327	229,853
Fund balances, December 31	\$ 146,250	\$ 5,431	\$ 130,363	\$ 282,044

CITY OF JASPER, GEORGIA
TECHNOLOGY SURCHARGE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Fines and forfeitures	\$ 22,400	\$ 43,567	\$ 21,167
Interest	0	96	96
Total revenues	<u>22,400</u>	<u>43,663</u>	<u>21,263</u>
EXPENDITURES			
Current			
Judicial	18,000	17,651	349
Public safety	23,900	3,811	20,089
Total expenditures	<u>41,900</u>	<u>21,462</u>	<u>20,438</u>
Excess (deficiency) of revenues over (under) expenditures	(19,500)	22,201	41,701
Other financing sources (uses)			
Transfers in	0	29,954	29,954
Net change in fund balance	(19,500)	52,155	71,655
Fund balances, January 1	<u>19,500</u>	<u>94,095</u>	<u>74,595</u>
Fund balances, December 31	<u><u>\$ 0</u></u>	<u><u>\$ 146,250</u></u>	<u><u>\$ 146,250</u></u>

**CITY OF JASPER, GEORGIA
CONFISCATED ASSETS FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Fines and forfeitures	\$ 650	\$ 0	\$ (650)
EXPENDITURES			
Current			
Public safety	650	0	650
Net change in fund balance	0	0	0
Fund balances, January 1	0	5,431	5,431
Fund balances, December 31	<u>\$ 0</u>	<u>\$ 5,431</u>	<u>\$ 5,431</u>

CITY OF JASPER, GEORGIA
HOTEL/MOTEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Taxes	\$ 95,000	\$ 70,677	\$ (24,323)
Interest	20	36	16
Total revenues	<u>95,020</u>	<u>70,713</u>	<u>(24,307)</u>
EXPENDITURES			
Current			
Housing and development	<u>63,333</u>	<u>56,868</u>	<u>6,465</u>
Excess (deficiency) of revenues over (under) expenditures	31,687	13,845	(17,842)
Other financing sources (uses)			
Transfers out	<u>(31,687)</u>	<u>(13,809)</u>	<u>(17,878)</u>
Net change in fund balance	0	36	36
Fund balances, January 1	<u>0</u>	<u>130,327</u>	<u>130,327</u>
Fund balances, December 31	<u><u>\$ 0</u></u>	<u><u>\$ 130,363</u></u>	<u><u>\$ 130,363</u></u>

SUPPLEMENTARY INFORMATION

CITY OF JASPER, GEORGIA
SCHEDULE OF INDEBTEDNESS
December 31, 2019

DESCRIPTION	PAYMENT DATE	DEBT SERVICE PAYMENT	INTEREST PORTION	PRINCIPAL PORTION
GOVERNMENTAL ACTIVITIES				
2019 Fire Truck	09/15/2020	\$ 53,008	\$ 24,420	\$ 28,588
09/15/2018 - \$568,923.59	09/15/2021	53,008	23,131	29,877
Annual Debt Service - 4.51%	09/15/2022	53,008	21,784	31,224
Mature - 09/15/2033	09/15/2023	53,008	20,376	32,632
100-80000	09/15/2024	53,008	18,905	34,103
	09/15/2025	53,008	17,367	35,641
	09/15/2026	53,008	15,760	37,248
	09/15/2027	53,008	14,080	38,928
	09/15/2028	53,008	12,325	40,683
	09/15/2029	53,008	10,490	42,518
	09/15/2030	53,008	8,573	44,435
	09/15/2031	53,008	6,569	46,438
	09/15/2032	53,008	4,475	48,532
	09/15/2033	53,009	2,287	50,722
		\$ 742,112	\$ 200,542	\$ 541,570
Police Precinct	01/21/2020	\$ 3,748	\$ 750	\$ 2,998
09/21/2009 - \$477,500	02/21/2020	3,748	738	3,009
Monthly Debt Service - 4.755%	03/21/2020	3,748	726	3,021
Mature - 09/21/2024	04/21/2020	3,748	714	3,033
100-80000	05/21/2020	3,748	702	3,045
Note Payable to Component Unit	06/21/2020	3,748	690	3,057
	07/21/2020	3,748	678	3,070
	08/21/2020	3,748	666	3,082
	09/21/2020	3,748	654	3,094
	10/21/2020	3,748	641	3,106
	11/21/2020	3,748	629	3,119
	12/21/2020	3,748	617	3,131
	01/21/2021	3,748	604	3,143
	02/21/2021	3,748	592	3,156
	03/21/2021	3,748	579	3,168
	04/21/2021	3,748	567	3,181
	05/21/2021	3,748	554	3,193
	06/21/2021	3,748	542	3,206
	07/21/2021	3,748	529	3,219
	08/21/2021	3,748	516	3,232
	09/21/2021	3,748	503	3,244
	10/21/2021	3,748	490	3,257
	11/21/2021	3,748	478	3,270
	12/21/2021	3,748	465	3,283
	01/21/2022	3,748	452	3,296
	02/21/2022	3,748	439	3,309
	03/21/2022	3,748	425	3,322
	04/21/2022	3,748	412	3,335
	05/21/2022	3,748	399	3,349
	06/21/2022	3,748	386	3,362
	07/21/2022	3,748	372	3,375

CITY OF JASPER, GEORGIA
SCHEDULE OF INDEBTEDNESS
December 31, 2019

DESCRIPTION	PAYMENT DATE	DEBT SERVICE PAYMENT	INTEREST PORTION	PRINCIPAL PORTION
	08/21/2022	3,748	359	3,389
	09/21/2022	3,748	346	3,402
	10/21/2022	3,748	332	3,415
	11/21/2022	3,748	319	3,429
	12/21/2022	3,748	305	3,443
	01/21/2023	3,748	291	3,456
	02/21/2023	3,748	278	3,470
	03/21/2023	3,748	264	3,484
	04/21/2023	3,748	250	3,497
	05/21/2023	3,748	236	3,511
	06/21/2023	3,748	222	3,525
	07/21/2023	3,748	208	3,539
	08/21/2023	3,748	194	3,553
	09/21/2023	3,748	180	3,567
	10/21/2023	3,748	166	3,581
	11/21/2023	3,748	152	3,596
	12/21/2023	3,748	138	3,610
	01/21/2024	3,748	123	3,624
	02/21/2024	3,748	109	3,639
	03/21/2024	3,748	95	3,653
	04/21/2024	3,748	80	3,667
	05/21/2024	3,748	66	3,682
	06/21/2024	3,748	51	3,697
	07/21/2024	3,748	36	3,711
	08/21/2024	3,748	22	3,726
	09/21/2024	4,373	7	4,366
		<u>\$ 214,241</u>	<u>\$ 22,342</u>	<u>\$ 191,899</u>
East Spring Street House	02/05/2020	\$ 883	\$ 524	\$ 360
12/22/2016 - \$132,000	03/05/2020	883	488	395
Monthly Debt Service - 5.07%	04/05/2020	883	520	363
Mature - 12/22/2026	05/05/2020	883	502	381
100-80000	06/05/2020	883	517	366
Note Payable to Component Unit	07/05/2020	883	499	384
	08/05/2020	883	514	369
	09/05/2020	883	512	371
	10/05/2020	883	494	389
	11/05/2020	883	509	374
	12/05/2020	883	491	392
	01/05/2021	883	506	378
	02/05/2021	883	504	379
	03/05/2021	883	454	430
	04/05/2021	883	500	383
	05/05/2021	883	483	401
	06/05/2021	883	497	386
	07/05/2021	883	479	404
	08/05/2021	883	494	390
	09/05/2021	883	492	391
	10/05/2021	883	474	409
	11/05/2021	883	488	395
	12/05/2021	883	471	412
	01/05/2022	883	485	398

CITY OF JASPER, GEORGIA
SCHEDULE OF INDEBTEDNESS
December 31, 2019

DESCRIPTION	PAYMENT DATE	DEBT SERVICE PAYMENT	INTEREST PORTION	PRINCIPAL PORTION
	02/05/2022	883	483	400
	03/05/2022	883	435	449
	04/05/2022	883	479	404
	05/05/2022	883	462	421
	06/05/2022	883	476	407
	07/05/2022	883	459	425
	08/05/2022	883	472	411
	09/05/2022	883	470	413
	10/05/2022	883	453	430
	11/05/2022	883	467	417
	12/05/2022	883	450	433
	01/05/2023	883	463	420
	02/05/2023	883	461	422
	03/05/2023	883	415	468
	04/05/2023	883	457	426
	05/05/2023	883	441	443
	06/05/2023	883	453	430
	07/05/2023	883	437	446
	08/05/2023	883	450	434
	09/05/2023	883	448	436
	10/05/2023	883	431	452
	11/05/2023	883	444	439
	12/05/2023	883	428	456
	01/05/2024	883	440	443
	02/05/2024	883	438	445
	03/05/2024	883	408	475
	04/05/2024	883	434	449
	05/05/2024	883	418	465
	06/05/2024	883	430	453
	07/05/2024	883	414	469
	08/05/2024	883	426	457
	09/05/2024	883	424	459
	10/05/2024	883	408	475
	11/05/2024	883	420	463
	12/05/2024	883	404	479
	01/05/2025	883	416	467
	02/05/2025	883	414	470
	03/05/2025	883	372	511
	04/05/2025	883	409	474
	05/05/2025	883	394	489
	06/05/2025	883	405	478
	07/05/2025	883	390	493
	08/05/2025	883	401	482
	09/05/2025	883	399	484
	10/05/2025	883	384	499
	11/05/2025	883	395	489
	12/05/2025	883	380	503
	01/05/2026	883	390	493
	02/05/2026	883	388	495
	03/05/2026	883	349	535
	04/05/2026	883	384	500
	05/05/2026	883	369	514
	06/05/2026	883	379	504

CITY OF JASPER, GEORGIA
SCHEDULE OF INDEBTEDNESS
December 31, 2019

DESCRIPTION	PAYMENT DATE	DEBT SERVICE PAYMENT	INTEREST PORTION	PRINCIPAL PORTION
	07/05/2026	883	365	518
	08/05/2026	883	375	509
	09/05/2026	883	373	511
	10/05/2026	883	358	525
	11/05/2026	883	368	515
	12/05/2026	883	354	529
	12/22/2026	83,451	199	83,251
		<u>\$ 156,762</u>	<u>\$ 36,807</u>	<u>\$ 119,955</u>
2019 Ford F-150 - Police Department	01/20/2020	\$ 1,162	\$ 112	\$ 1,050
03/21/2019 - \$39,052	02/20/2020	1,162	108	1,054
Monthly Debt Service - 4.51%	03/20/2020	1,162	104	1,058
Mature - 03/22/2022	04/20/2020	1,162	100	1,062
100-80000	05/20/2020	1,162	96	1,066
	06/20/2020	1,162	92	1,070
	07/20/2020	1,162	88	1,074
	08/20/2020	1,162	84	1,078
	09/20/2020	1,162	80	1,082
	10/20/2020	1,162	76	1,086
	11/20/2020	1,162	72	1,090
	12/20/2020	1,162	68	1,094
	01/20/2021	1,162	64	1,098
	02/20/2021	1,162	59	1,102
	03/20/2021	1,162	55	1,107
	04/20/2021	1,162	51	1,111
	05/20/2021	1,162	47	1,115
	06/20/2021	1,162	43	1,119
	07/20/2021	1,162	39	1,123
	08/20/2021	1,162	34	1,127
	09/20/2021	1,162	30	1,132
	10/20/2021	1,162	26	1,136
	11/20/2021	1,162	22	1,140
	12/20/2021	1,162	17	1,145
	01/20/2022	1,162	13	1,149
	02/20/2022	1,162	9	1,153
	03/20/2022	1,163	4	1,159
		<u>\$ 31,371</u>	<u>\$ 1,592</u>	<u>\$ 29,779</u>
Vehicle / Equipment Lease	02/04/2020	\$ 1,463	\$ 204	\$ 1,258
09/04/2019 - \$80,925	03/04/2020	1,463	201	1,262
Monthly Debt Service - 3.23%	04/04/2020	1,463	198	1,265
Mature - 09/04/2024	05/04/2020	1,463	194	1,268
Assets for Multiple Funds- GF Portion Shown	06/04/2020	1,463	191	1,272
	07/04/2020	1,463	187	1,275
	08/04/2020	1,463	184	1,279
	09/04/2020	1,463	180	1,282
	10/04/2020	1,463	177	1,285
	11/04/2020	1,463	174	1,289
	12/04/2020	1,463	170	1,292
	01/04/2021	1,463	167	1,296

CITY OF JASPER, GEORGIA
SCHEDULE OF INDEBTEDNESS
December 31, 2019

DESCRIPTION	PAYMENT DATE	DEBT SERVICE PAYMENT	INTEREST PORTION	PRINCIPAL PORTION
	02/04/2021	1,463	163	1,299
	03/04/2021	1,463	160	1,303
	04/04/2021	1,463	156	1,306
	05/04/2021	1,463	153	1,310
	06/04/2021	1,463	149	1,313
	07/04/2021	1,463	146	1,317
	08/04/2021	1,463	142	1,321
	09/04/2021	1,463	138	1,324
	10/04/2021	1,463	135	1,328
	11/04/2021	1,463	131	1,331
	12/04/2021	1,463	128	1,335
	01/04/2022	1,463	124	1,338
	02/04/2022	1,463	121	1,342
	03/04/2022	1,463	117	1,346
	04/04/2022	1,463	113	1,349
	05/04/2022	1,463	110	1,353
	06/04/2022	1,463	106	1,356
	07/04/2022	1,463	102	1,360
	08/04/2022	1,463	99	1,364
	09/04/2022	1,463	95	1,367
	10/04/2022	1,463	91	1,371
	11/04/2022	1,463	88	1,375
	12/04/2022	1,463	84	1,379
	01/04/2023	1,463	80	1,382
	02/04/2023	1,463	77	1,386
	03/04/2023	1,463	73	1,390
	04/04/2023	1,463	69	1,393
	05/04/2023	1,463	65	1,397
	06/04/2023	1,463	62	1,401
	07/04/2023	1,463	58	1,405
	08/04/2023	1,463	54	1,409
	09/04/2023	1,463	50	1,412
	10/04/2023	1,463	46	1,416
	11/04/2023	1,463	43	1,420
	12/04/2023	1,463	39	1,424
	01/04/2024	1,463	35	1,428
	02/04/2024	1,463	31	1,431
	03/04/2024	1,463	27	1,435
	04/04/2024	1,463	23	1,439
	05/04/2024	1,463	20	1,443
	06/04/2024	1,463	16	1,447
	07/04/2024	1,463	12	1,451
	08/04/2024	1,463	8	1,455
	09/04/2024	1,455	4	1,452
		<u>\$ 81,894</u>	<u>\$ 5,968</u>	<u>\$ 75,926</u>
Vehicle / Equipment Lease	01/24/2020	\$ 4,031	\$ 294	\$ 3,738
07/24/2017 - \$225,155	02/24/2020	4,031	284	3,747
Monthly Debt Service - 2.93%	03/24/2020	4,031	275	3,756
Mature - 07/24/2022	04/24/2020	4,031	266	3,765
100-80000	05/24/2020	4,031	257	3,774
Assets for Multiple Funds- Gov't Portion allocated here	06/24/2020	4,031	248	3,784

CITY OF JASPER, GEORGIA
SCHEDULE OF INDEBTEDNESS
December 31, 2019

DESCRIPTION	PAYMENT DATE	DEBT SERVICE PAYMENT	INTEREST PORTION	PRINCIPAL PORTION
	07/24/2020	4,031	238	3,793
	08/24/2020	4,031	229	3,802
	09/24/2020	4,031	220	3,811
	10/24/2020	4,031	211	3,821
	11/24/2020	4,031	201	3,830
	12/24/2020	4,031	192	3,839
	01/24/2021	4,031	183	3,849
	02/24/2021	4,031	173	3,858
	03/24/2021	4,031	164	3,868
	04/24/2021	4,031	154	3,877
	05/24/2021	4,031	145	3,886
	06/24/2021	4,031	135	3,896
	07/24/2021	4,031	126	3,905
	08/24/2021	4,031	116	3,915
	09/24/2021	4,031	107	3,925
	10/24/2021	4,031	97	3,934
	11/24/2021	4,031	88	3,944
	12/24/2021	4,031	78	3,953
	01/24/2022	4,031	68	3,963
	02/24/2022	4,031	59	3,973
	03/24/2022	4,031	49	3,982
	04/24/2022	4,031	39	3,992
	05/24/2022	4,031	29	4,002
	06/24/2022	4,031	20	4,012
	07/24/2022	4,025	10	4,015
		<u>\$ 124,962</u>	<u>\$ 4,754</u>	<u>\$ 120,208</u>
TOTAL GOVERNMENTAL ACTIVITIES				<u><u>\$ 1,079,337</u></u>

CITY OF JASPER, GEORGIA
SCHEDULE OF INDEBTEDNESS
December 31, 2019

DESCRIPTION	PAYMENT DATE	DEBT SERVICE PAYMENT	INTEREST PORTION	PRINCIPAL PORTION
ENTERPRISE FUNDS				
Water Sewer Fund				
Vehicle / Equipment Lease	02/04/2020	\$ 1,006	\$ 141	\$ 865
09/04/2019 - \$55,676	03/04/2020	1,006	138	868
Monthly Debt Service - 3.23%	04/04/2020	1,006	136	870
Mature - 09/04/2024	05/04/2020	1,006	134	872
Assets for Multiple Funds- WS Portion Shown	06/04/2020	1,006	131	875
	07/04/2020	1,006	129	877
	08/04/2020	1,006	127	879
	09/04/2020	1,006	124	882
	10/04/2020	1,006	122	884
	11/04/2020	1,006	119	887
	12/04/2020	1,006	117	889
	01/04/2021	1,006	115	891
	02/04/2021	1,006	112	894
	03/04/2021	1,006	110	896
	04/04/2021	1,006	107	899
	05/04/2021	1,006	105	901
	06/04/2021	1,006	103	903
	07/04/2021	1,006	100	906
	08/04/2021	1,006	98	908
	09/04/2021	1,006	95	911
	10/04/2021	1,006	93	913
	11/04/2021	1,006	90	916
	12/04/2021	1,006	88	918
	01/04/2022	1,006	85	921
	02/04/2022	1,006	83	923
	03/04/2022	1,006	80	926
	04/04/2022	1,006	78	928
	05/04/2022	1,006	75	931
	06/04/2022	1,006	73	933
	07/04/2022	1,006	70	936
	08/04/2022	1,006	68	938
	09/04/2022	1,006	65	941
	10/04/2022	1,006	63	943
	11/04/2022	1,006	60	946
	12/04/2022	1,006	58	948
	01/04/2023	1,006	55	951
	02/04/2023	1,006	53	953
	03/04/2023	1,006	50	956
	04/04/2023	1,006	48	958
	05/04/2023	1,006	45	961
	06/04/2023	1,006	42	964
	07/04/2023	1,006	40	966
	08/04/2023	1,006	37	969
	09/04/2023	1,006	35	971
	10/04/2023	1,006	32	974
	11/04/2023	1,006	29	977
	12/04/2023	1,006	27	979
	01/04/2024	1,006	24	982
	02/04/2024	1,006	21	985
	03/04/2024	1,006	19	987

CITY OF JASPER, GEORGIA
SCHEDULE OF INDEBTEDNESS
December 31, 2019

DESCRIPTION	PAYMENT DATE	DEBT SERVICE PAYMENT	INTEREST PORTION	PRINCIPAL PORTION
	04/04/2024	1,006	16	990
	05/04/2024	1,006	13	993
	06/04/2024	1,006	11	995
	07/04/2024	1,006	8	998
	08/04/2024	1,006	5	1,001
	09/04/2024	1,015	3	1,012
		<u>\$ 56,343</u>	<u>\$ 4,105</u>	<u>\$ 52,238</u>
Vehicle / Equipment Lease	01/24/2020	\$ 7,401	\$ 539	\$ 6,862
07/24/2017 - \$301,754	02/24/2020	7,401	522	6,879
Monthly Debt Service - 2.93%	03/24/2020	7,401	505	6,896
Mature - 07/24/2022	04/24/2020	7,401	488	6,912
Assets for Multiple Funds- WS Portion Shown	05/24/2020	7,401	472	6,929
	06/24/2020	7,401	455	6,946
	07/24/2020	7,401	438	6,963
	08/24/2020	7,401	421	6,980
	09/24/2020	7,401	404	6,997
	10/24/2020	7,401	387	7,014
	11/24/2020	7,401	369	7,031
	12/24/2020	7,401	352	7,049
	01/24/2021	7,401	335	7,066
	02/24/2021	7,401	318	7,083
	03/24/2021	7,401	301	7,100
	04/24/2021	7,401	283	7,118
	05/24/2021	7,401	266	7,135
	06/24/2021	7,401	248	7,153
	07/24/2021	7,401	231	7,170
	08/24/2021	7,401	213	7,187
	09/24/2021	7,401	196	7,205
	10/24/2021	7,401	178	7,223
	11/24/2021	7,401	161	7,240
	12/24/2021	7,401	143	7,258
	01/24/2022	7,401	125	7,276
	02/24/2022	7,401	108	7,293
	03/24/2022	7,401	90	7,311
	04/24/2022	7,401	72	7,329
	05/24/2022	7,401	54	7,347
	06/24/2022	7,401	36	7,365
	07/24/2022	7,401	18	7,383
		<u>\$ 229,428</u>	<u>\$ 8,727</u>	<u>\$ 220,701</u>
GEFA-2002	FY2020	\$ 55,927	\$ 8,235	\$ 47,692
\$4,661/monthly - APR-4.21 %	FY2021	55,927	6,187	49,739
Debt Service shown is Total of Payments for FY	FY2022	55,927	4,053	51,874
Mature -10/01/2024	FY2023	55,927	1,826	54,101
	FY2024	13,978	97	13,881
		<u>\$ 237,685</u>	<u>\$ 20,398</u>	<u>\$ 217,287</u>

CITY OF JASPER, GEORGIA
SCHEDULE OF INDEBTEDNESS
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DESCRIPTION	PAYMENT DATE	DEBT SERVICE PAYMENT	INTEREST PORTION	PRINCIPAL PORTION
GEFA 2005	FY2020	\$ 50,135	\$ 12,005	\$ 38,130
\$681,126	FY2021	50,135	10,397	39,738
\$4,178/monthly - APR - 4.14%	FY2022	50,135	8,720	41,415
Debt Service shown is Total of Payments for FY	FY2023	50,135	6,972	43,163
Mature - 01/01/2027	FY2024	50,135	5,151	44,984
	FY2025	50,135	3,253	46,882
	FY2026	50,135	1,275	48,860
	FY2027	4,174	14	4,160
		<u>\$ 355,119</u>	<u>\$ 47,787</u>	<u>\$ 307,332</u>
GEFA 2007 WS (A)	FY2020	\$ 138,013	\$ 44,762	\$ 93,251
\$1,866,938 - 10/01/2009	FY2021	138,013	40,779	97,234
\$11,501/monthly - APR - 4.19%	FY2022	138,013	36,626	101,387
Debt Service shown is Total of Payments for FY	FY2023	138,013	32,295	105,718
Mature -10/01/2029	FY2024	138,013	27,779	110,233
	FY2025	138,013	23,071	114,942
	FY2026	138,013	18,161	119,851
	FY2027	138,013	13,042	124,971
	FY2028	138,013	7,704	130,309
	FY2029	115,010	2,595	112,415
		<u>\$ 1,357,124</u>	<u>\$ 246,815</u>	<u>\$ 1,110,309</u>
GEFA 2007 WS (B)	FY2020	\$ 85,238	\$ 31,897	\$ 53,341
\$1,153,039.75 - 08/01/2011	FY2021	85,238	29,618	55,620
\$7,103/monthly - APR - 4.19%	FY2022	85,238	27,243	57,995
Debt Service shown is Total of Payments for FY	FY2023	85,238	24,765	60,473
Mature -08/01/2031	FY2024	85,238	22,182	63,056
	FY2025	85,238	19,489	65,749
	FY2026	85,238	16,681	68,557
	FY2027	85,238	13,752	71,486
	FY2028	85,238	10,699	74,539
	FY2029	85,238	7,515	77,723
	FY2030	85,238	4,195	81,043
	FY2031	56,825	882	55,943
		<u>\$ 994,444</u>	<u>\$ 208,919</u>	<u>\$ 785,525</u>
GEFA 2010 WS	FY2020	\$ 50,065	\$ 19,482	\$ 30,583
\$700,000 - 05/01/2013	FY2021	50,065	18,296	31,769
\$4,172/monthly - APR - 3.81%	FY2022	50,065	17,064	33,001
Debt Service shown is Total of Payments for FY	FY2023	50,065	15,785	34,281
Mature -05/01/2033	FY2024	50,065	14,456	35,610
	FY2025	50,065	13,075	36,990
	FY2026	50,065	11,641	38,425
	FY2027	50,065	10,151	39,914
	FY2028	50,065	8,603	41,462
	FY2029	50,065	6,996	43,070
	FY2030	50,065	5,326	44,739
	FY2031	50,065	3,591	46,474
	FY2032	50,065	1,789	48,276

CITY OF JASPER, GEORGIA
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DESCRIPTION	PAYMENT DATE	DEBT SERVICE PAYMENT	INTEREST PORTION	PRINCIPAL PORTION
	FY2033	20,861	198	20,663
		<u>\$ 671,710</u>	<u>\$ 146,453</u>	<u>\$ 525,257</u>
GEFA 2012 WS	FY2020	\$ 19,518	\$ 6,406	\$ 13,112
\$298,091 - 08/01/2014	FY2021	19,518	6,032	13,486
\$1,626/monthly - APR - 2.82%	FY2022	19,518	5,646	13,871
Debt Service shown is Total of Payments for FY	FY2023	19,518	5,250	14,268
Mature -07/01/2034	FY2024	19,518	4,842	14,675
	FY2025	19,518	4,423	15,094
	FY2026	19,518	3,992	15,526
	FY2027	19,518	3,548	15,969
	FY2028	19,518	3,092	16,425
	FY2029	19,518	2,623	16,895
	FY2030	19,518	2,140	17,377
	FY2031	19,518	1,644	17,874
	FY2032	19,518	1,133	18,384
	FY2033	19,518	608	18,909
	FY2034	11,385	105	11,280
		<u>\$ 284,632</u>	<u>\$ 51,486</u>	<u>\$ 233,146</u>
GEFA CW	FY2020	\$ 99,081	\$ 23,138	\$ 75,942
\$1,658,605 - 01/01/2015	FY2021	99,081	21,745	77,336
\$8,257/monthly - APR - 1.82%	FY2022	99,081	20,325	78,755
Debt Service shown is Total of Payments for FY	FY2023	99,081	18,880	80,201
Mature -01/01/2035	FY2024	99,081	17,408	81,673
	FY2025	99,081	15,909	83,171
	FY2026	99,081	14,383	84,698
	FY2027	99,081	12,828	86,252
	FY2028	99,081	11,245	87,835
	FY2029	99,081	9,633	89,447
	FY2030	99,081	7,992	91,089
	FY2031	99,081	6,320	92,761
	FY2032	99,081	4,618	94,463
	FY2033	99,081	2,884	96,197
	FY2034	99,081	1,118	97,962
	FY2035	8,257	13	8,244
		<u>\$ 1,494,464</u>	<u>\$ 188,438</u>	<u>\$ 1,306,026</u>
Total Water Sewer Fund Fund				<u>\$ 4,757,821</u>

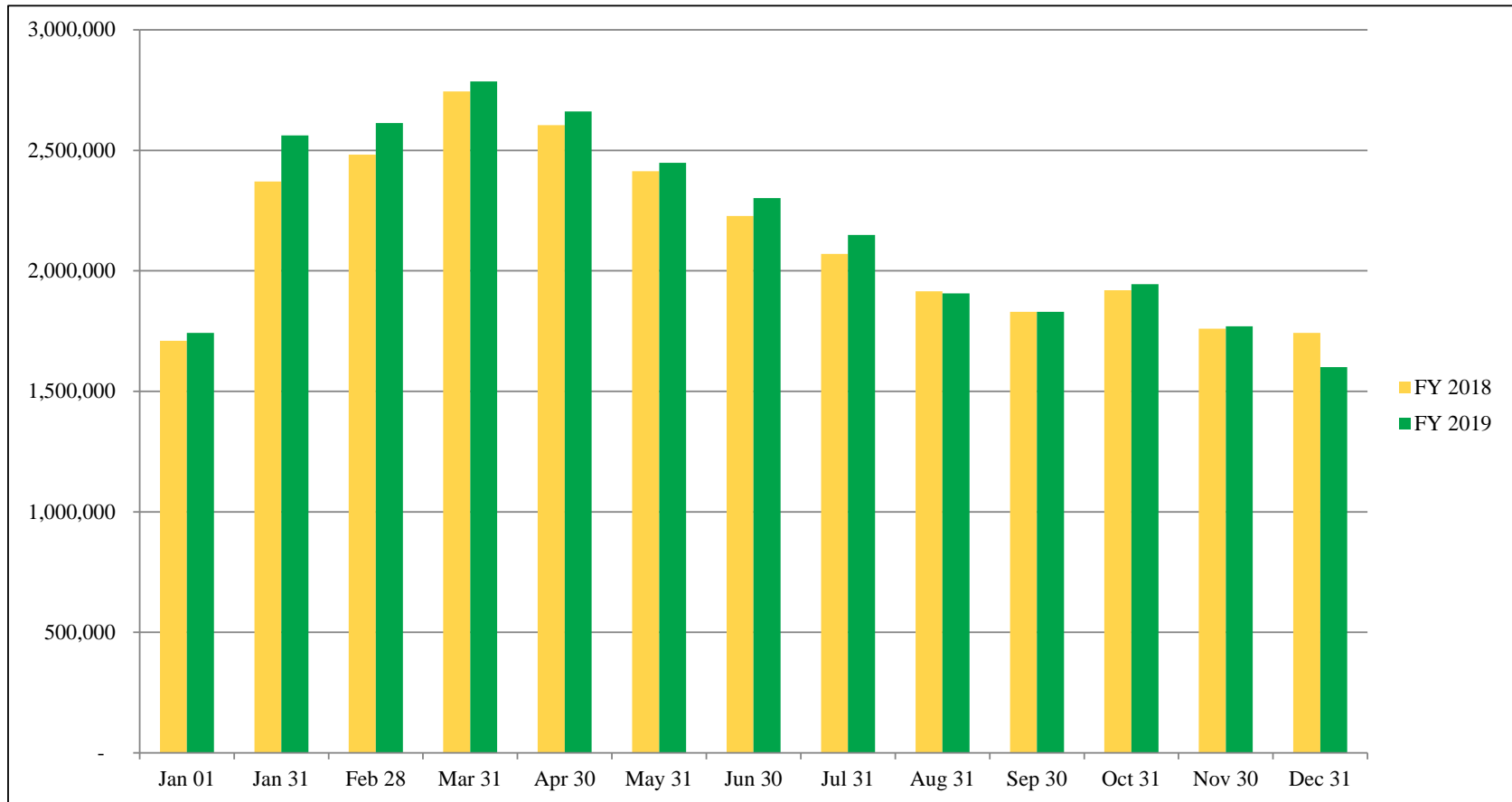
CITY OF JASPER, GEORGIA
SCHEDULE OF INDEBTEDNESS
December 31, 2019

DESCRIPTION	PAYMENT DATE	DEBT SERVICE PAYMENT	INTEREST PORTION	PRINCIPAL PORTION
Sanitation Fund				
Vehicle / Equipment Lease	02/04/2020	\$ 2,549	\$ 356	\$ 2,193
09/04/2019 - \$141,039	03/04/2020	2,549	350	2,198
Monthly Debt Service - 3.23%	04/04/2020	2,549	344	2,204
Mature - 09/04/2024	05/04/2020	2,549	338	2,210
Assets for Multiple Funds- Sanitation Portion Shown	06/04/2020	2,549	332	2,216
	07/04/2020	2,549	327	2,222
	08/04/2020	2,549	321	2,228
	09/04/2020	2,549	315	2,234
	10/04/2020	2,549	309	2,240
	11/04/2020	2,549	302	2,246
	12/04/2020	2,549	296	2,252
	01/04/2021	2,549	290	2,258
	02/04/2021	2,549	284	2,264
	03/04/2021	2,549	278	2,271
	04/04/2021	2,549	272	2,277
	05/04/2021	2,549	266	2,283
	06/04/2021	2,549	260	2,289
	07/04/2021	2,549	254	2,295
	08/04/2021	2,549	247	2,301
	09/04/2021	2,549	241	2,307
	10/04/2021	2,549	235	2,314
	11/04/2021	2,549	229	2,320
	12/04/2021	2,549	223	2,326
	01/04/2022	2,549	216	2,332
	02/04/2022	2,549	210	2,339
	03/04/2022	2,549	204	2,345
	04/04/2022	2,549	197	2,351
	05/04/2022	2,549	191	2,358
	06/04/2022	2,549	185	2,364
	07/04/2022	2,549	178	2,370
	08/04/2022	2,549	172	2,377
09/04/2022	2,549	166	2,383	
10/04/2022	2,549	159	2,390	
11/04/2022	2,549	153	2,396	
12/04/2022	2,549	146	2,402	
01/04/2023	2,549	140	2,409	
02/04/2023	2,549	133	2,415	
03/04/2023	2,549	127	2,422	
04/04/2023	2,549	120	2,428	
05/04/2023	2,549	114	2,435	
06/04/2023	2,549	107	2,441	
07/04/2023	2,549	101	2,448	
08/04/2023	2,549	94	2,455	
09/04/2023	2,549	88	2,461	
10/04/2023	2,549	81	2,468	
11/04/2023	2,549	74	2,475	
12/04/2023	2,549	68	2,481	
01/04/2024	2,549	61	2,488	
02/04/2024	2,549	54	2,495	
03/04/2024	2,549	48	2,501	
04/04/2024	2,549	41	2,508	
05/04/2024	2,549	34	2,515	

CITY OF JASPER, GEORGIA
SCHEDULE OF INDEBTEDNESS
December 31, 2019

DESCRIPTION	PAYMENT DATE	DEBT SERVICE PAYMENT	INTEREST PORTION	PRINCIPAL PORTION
	06/04/2024	2,549	27	2,522
	07/04/2024	2,549	20	2,528
	08/04/2024	2,549	14	2,535
	09/04/2024	2,547	7	2,540
		<u>\$ 142,729</u>	<u>\$ 10,401</u>	<u>\$ 132,327</u>
Total Sanitation Fund				<u>\$ 132,327</u>
TOTAL ENTERPRISE FUNDS				<u>\$ 4,890,148</u>
TOTAL PRIMARY GOVERNMENT				<u>\$ 5,969,485</u>

CITY OF JASPER, GEORGIA
SCHEDULE OF GENERAL FUND UNASSIGNED FUND BALANCE BY MONTH
Fiscal Years 2018 and 2019



OTHER REPORTING SECTION

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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance with *Government Auditing Standards*

Honorable Mayor and
Members of the City Council
City of Jasper, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Jasper, Georgia, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City of Jasper, Georgia's basic financial statements and have issued our report thereon dated May 4, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Jasper, Georgia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Jasper's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Jasper's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we considered to be material weaknesses. We did identify a certain deficiency in internal control, described below, that we consider to be a significant deficiency:

2019-001

Condition: While performing audit procedures on cash receipts, we noted that there is a lack of segregation of duties. The clerk processes cash receipts, records cash receipts, and takes the deposit to the bank.

Criteria: Proper internal controls require adequate segregation of duties in control over adjustments to the general ledger.

Effect: Failure to maintain adequate segregation of duties subjects the assets of the City to greater risk of misappropriation.

Cause: The City has an adequate number of employees to receipt utility payments, alcohol and business licenses, but not enough employees to properly segregate duties.

2019-001, continued

Recommendation: To ensure that sufficient internal controls are in place, the City should properly segregate duties.

Management Response: Management concurs with this finding. Management intends to evaluate the current policies and procedures to ensure that duties are segregated to the greatest extent possible utilizing the City's current resources. This action was taken immediately upon receipt of the comment from our auditors.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Jasper, Georgia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Jasper, Georgia's Response to Findings

The City of Jasper, Georgia's response to the finding identified in our audit is described previously. The City of Jasper, Georgia's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Jasper, Georgia's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rushion & Company, LLC

Certified Public Accountants
Gainesville, Georgia
May 4, 2020

STATE REPORTING SECTION

CITY OF JASPER, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH
SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the year ended December 31, 2019

<u>Project</u>	<u>Estimated Cost *</u>		<u>Expenditures</u>		
	<u>Original</u>	<u>Current</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
2014 Referendum					
Roads, Streets, and Bridges	<u>\$ 6,000,000</u>	<u>\$ 6,000,000</u>	<u>\$ 3,066,041</u>	<u>\$ 1,787,562</u>	<u>\$ 4,853,603</u>

* Estimated cost represents the portion of these projects to be financed with Special Purpose Local Option Sales Tax. Actual costs that are in excess of these amounts have been financed through alternative funds.